

The relationship between leadership behaviour of sales managers and  
the motivation of sales teams during the implementation of strategic  
alliances

by

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## DECLARATION

I declare that **The relationship between leadership behaviour of sales managers and the motivation of sales teams during the implementation of strategic alliances** is my own work and that all sources that I have used or quoted have been indicated and acknowledged by means of complete references.

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SIGNATURE

(Ms L C Ahmed)

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DATE

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## ABSTRACT

This study offers insight into the perceived leadership behaviour of sales managers in a pharmaceutical organisation in South Africa. The study specifically investigated the extent of the relationship between leadership behaviour of sales managers and motivation of sales teams during the implementation of strategic alliances. The study followed a mixed methods approach and had a correlational research design. The population in this study was the fifty four (54) sales representatives and their respective sales managers of the six sales teams identified, who are directly responsible for implementing strategic alliances. The population was demarcated into six (6) sales teams with each team reporting to a separate sales manager. Inferential and descriptive statistics were used to analyse the data. The quantitative data were analysed using Pearson's correlation coefficient ( $r$ ). The qualitative component was analysed using a content analysis. The findings of the correlation analysis suggest that an overall positive and moderate relationship exist between autocratic leadership behaviour of sales managers and the motivation of sales teams. A similar relationship exists between team leadership and extrinsic motivation. A positive and weak relationship exists between directive and supportive leadership and motivation. Similarly, a positive and weak relationship exists between team leadership and intrinsic motivation. However, the extent to which these relationships exist varies between the sales teams. The findings of the content analysis indicate that task-oriented leadership behaviour may exert the strongest motivator for sales teams when implementing strategic alliances.

|                  |
|------------------|
| <b>KEY TERMS</b> |
|------------------|

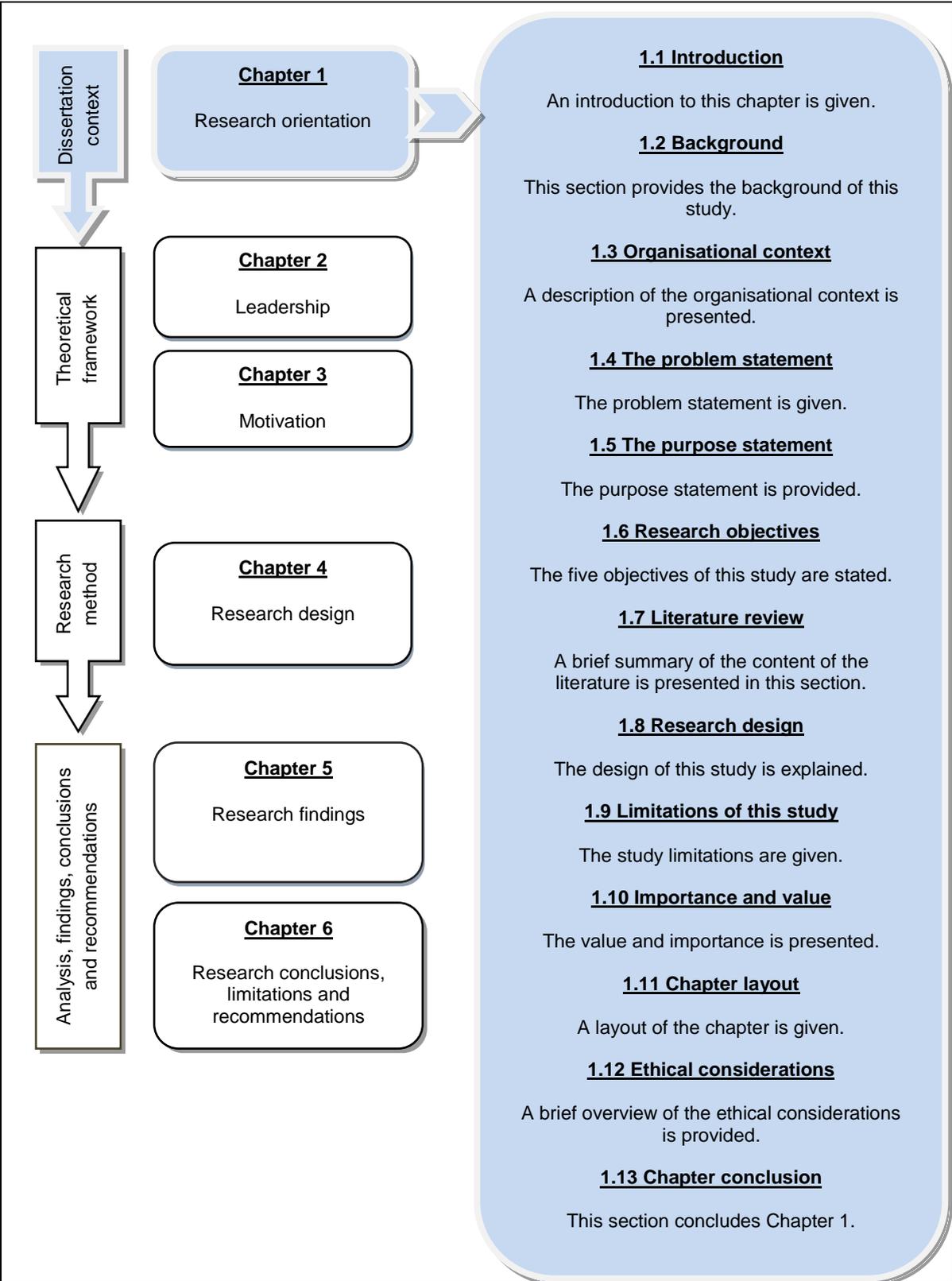
Leadership; Motivation; Strategic alliances; Strategy implementation; Strategic management; Sales teams; Sales managers.

**1.1 INTRODUCTION**

This study offers insight into the perceived leadership behaviour of sales managers in a pharmaceutical organisation in South Africa and will ultimately document the extent of the relationship between leadership behaviour of sales managers and the motivation of sales teams during the implementation of strategic alliances.

Chapter 1 aims to provide the background and the organisational context of this study. Thereafter, the problem and purpose statements, as well as the objectives of this study are presented. A brief summary of the content of the literature review is offered, which will focus on two constructs, namely leadership behaviour and motivation. The key terms of this study is defined. Thereafter, the research design is explained, followed by the importance, value and limitations of this study. Finally, the ethical considerations are presented followed by a chapter layout.

A diagrammatical depiction of Chapter 1 follows in Figure 1.1.



**Figure 1.1: Diagrammatical layout of Chapter 1**

(Source: Author)

## **1.2 BACKGROUND**

The pharmaceutical industry is one of the most dynamic and complex industries that involve the commercialisation of cutting-edge scientific research (Ding, Liashberg & Stremersch, 2014). The pharmaceutical industry is also one of the largest industries globally, growing at 4-7% per year with global sales close to US\$1 trillion. American and European pharmaceutical multinationals are the largest contributors of pharmaceutical revenue globally. In 2011, North America accounted for 41,8% of world pharmaceutical sales compared with 26,8% for Europe (Efpia, 2012).

However, pharmaceutical sales in the United States of America (USA) have been affected negatively by the economic downturn since 2008. Both out-of-pocket and private insurance payments have been falling and are expected to continue to decline, which have implications for pharmaceutical organisations (Hilsenrath, 2011). In addition to the economic downturn since 2008, the political pressure during the last few decades forced the USA government to reduce the prices of drugs. The USA government did not address this concern until the new health reform initiative was implemented by the Obama-regime in 2010 (Odom, Owen, Valley & Burrell, 2011). Further reductions in the revenue of the private pharmaceutical markets in the USA were as a result of health reform.

The pharmaceutical industry also relied on new product innovations to drive growth. This product pipeline “dried up” due to a decline in research and development (R&D) of new products. Shareholders were no longer prepared to invest money in research and development (R&D) without tangible success. Consequently, capital was allocated more rationally (Economist, 2013).

With the slow growth in revenue in the USA, compounded by the recent global economic downturn, pharmaceutical companies have also been making attempts to establish a presence in the so-called emerging markets (Baines, 2010). Chan and Daim (2011) add that emerging economies such as Brazil, Russia, India, China and South Africa (BRICs) are new targets for multinational pharmaceutical companies. Compounded by the global challenges for multinational pharmaceutical organisations, the proposed National Health Insurance (NHI) in South Africa may have additional implications for the private health sector (McIntyre, 2010).

As early as 1997, Pisano indicated that to remain sustainable, pharmaceutical organisations were also steered towards entering into collaborations with each other due to a reduction in R&D (Pisano, 1997). By forming collaborations such as strategic alliances, pharmaceutical organisations engage in synergies that provide long-term success for all organisations involved in the strategic partnership (Kestic, 2009). Strategic alliances are viewed by investors as opportunities for organisational growth (Keasler & Denning, 2009). Strategic alliances are long-term collaborations between organisations to enter into agreements for mutual benefit and to increase performance through cost reduction, knowledge acquisition and or market expansion (Peng, (2009) in Zoogah, Vora, Orlando & Peng, (2011)). Successful alliances between pharmaceutical organisations provide a strong motivation for repeated deal formation between the alliance partners (Kim, 2011), which is why any inefficiency in implementation of strategic alliances should be avoided (Stach, 2006). Various factors contribute towards the lack of implementation efficiencies, which include aspects of leadership as well as motivation of those responsible for implementing alliance strategies.

In the pharmaceutical industry, sales people are key human actors in the quest for implementation success. Motivating them is often a challenge, which may be induced by themselves or their sales managers. Motivation is an inner state that drives individuals to achieve an end result (Ryan & Deci, 2000). In organisations, employee motivation plays a central role in organisational performance. Employee motivation is a phenomenon that extends to many of the sub-disciplines of management and organisational behaviour, which include leadership, teams and performance management (Steers, Mowday & Shapiro, 2004).

The leadership of organisations therefore plays a key role in the motivation of individuals. Leadership is viewed as the art of enabling others to do what you believe should be done (Carrell, Jennings & Heavrin, 1997) and leadership has a clear position in motivating employees and communicating goals and may ultimately contribute to significant and positive actions in organisations (Crevani, Lindgren & Packendorff, 2010). Managers and leaders should learn how to motivate employees and retain their motivation levels, as an unmotivated workforce leads to dissatisfaction and low commitment that may have an adverse effect on organisational performance (Kruger & Rootman, 2010). As final recipients of

downwardly cascaded strategies, the leadership behaviour of sales managers may play an integral role in the level of motivation experienced by sales people. It is essential at this point to discuss the organisational context of this study.

### **1.3 THE ORGANISATIONAL CONTEXT**

This study hopes to contribute to the theory of sales managers' leadership behaviour and the motivation of sales people who are clustered into sales teams in a pharmaceutical organisation in South Africa. This relationship between the leadership behaviour of sales managers and the motivation of sales teams is measured during the implementation stage of strategic alliance strategies. This section aims to describe the context of the study which is positioned within the pharmaceutical industry. A brief discussion of strategic alliances within the pharmaceutical industry is provided thereafter. The organisational context of this study is also described, with the inclusion of strategic alliances as a divisional strategy of the organisation under study. This section also includes previous research in the pharmaceutical industry that relates to factors that motivate sales people. The following section provides a historical overview of the pharmaceutical industry.

#### **1.3.1 A historical overview of the pharmaceutical industry**

The pharmaceutical industry is a scientifically-based industry that came into being in the second half of the nineteenth century (Pisano, 1997) and was a large contributor of economic growth in the United States of America (USA) and Europe. The initial stages of this industry were mostly based on mass production of pharmaceutical products. However, due to World War II, pharmaceutical organisations undertook the first attempt to produce antibiotics (Pisano, 1997). This effort led to the rise of the research and development (R&D) of new drugs. Between 1950 and 1990, the pharmaceutical industry experienced rapid growth and high profitability. R&D spending on new drugs grew exponentially as new, innovative drugs proved to be a

highly profitable endeavour. As a result of the high growth, competition in the pharmaceutical industry intensified during the 1990's, especially due to the entry of generic drugs (Pisano, 1997). Generic drugs are commodities that are produced after an original drug's patent has expired. The United States (US) patent protection on the original drug is valid for 17 years. Thereafter, any applicant organisation may produce generic drugs that are priced between 30% and 60% lower than the original drug. Another form of competition was the evolution of molecular biology (Pisano, 1997), which is a new form of technology with scientific advances in genetics. Molecular biology (biotechnology) is an improvement of the technology associated with R&D, which has led to the development of entirely new classes of drugs. In addition to the market-orientated factors that impeded the growth of pharmaceutical organisations, the industry also experienced pressure from its macro-environment. The USA faced political pressure to reduce the prices of drugs and to control costs, which was driven by the Clinton administration for health reform in the USA (Pisano, 1997). Health reform in the USA had been an on-going attempt, until the administration of Barack Obama (Odom, et al., 2011). During his first campaign, affordability of drugs was a primary concern for President Obama and in 2009 President Obama created the Office of Health Reform to initiate his plans for health reform. On 1 July, 2010, the new health reform law became effective with the aim of altering the existing healthcare system. The implementation of Obamacare is a process that may run until 2020 (Odom, et al., 2011).

The challenges faced by the USA impacts on multinational organisations globally, including emerging economies such as South Africa. Due to a decline in sales revenue in the USA, pharmaceutical organisations in emerging countries such as South Africa may face greater pressure towards organisational performance (Sanofi, 2013). In addition to external environmental pressure faced in the USA, the National Health Insurance (NHI) may be implemented in South Africa (McIntyre, 2010). The proposed NHI aims to address the challenges in the private healthcare sector in South Africa, which relates to the high expenditure in healthcare. The private healthcare sector, which includes the pharmaceutical industry, perceives the implementation of the NHI as reducing investment opportunities in South Africa (McIntyre, 2010). This will impact negatively on the pharmaceutical industry as organisations may yield a decrease in profitable revenue.

In order to overcome some of the environmental pressure, many organisations collaborated with external organisations through licensing agreements, R&D contracts and other forms of alliances (Pisano, 1997; Lin & Darling, 1999). Collaborations such as strategic alliances stemmed from the pharmaceutical leaders' realisation that head-on retaliation renders their organisations financially exhausted, intellectually drained and vulnerable to new innovations entering the market (Mintzberg, Lampel, Quinn & Ghoshal, 2003). However, in the pharmaceutical industry, most alliances fail as a result of poor implementation, personality conflicts and other non-technical issues (Stach, 2006). Organisations should recognise that to ensure alliance success, there are certain key factors, which include leadership, trust, communication and effective governance. The "buy-in" and commitment of all relevant members of the organisation, as well as certain behaviours from leadership is fundamental in ensuring the successful implementation of strategic alliance strategies (Stach, 2006).

### 1.3.2 Strategic alliances in the pharmaceutical industry

The increasing importance of strategic alliances in the pharmaceutical industry is being acknowledged by a number of pharmaceutical organisations (Lin & Darling, 1999). Several pharmaceutical organisations globally have engaged in strategic alliance strategies in order to gain control over distribution channels and to gain market access. These include organisations such as Merck, Eli Lilly, Pfizer, Bristol-Myers Squibb and Glaxo SmithKline (previously known as SmithKline Beecham). Pharmaceutical organisations elect to collaborate with competitors by creating value through sharing costs, market access, innovation, technology and information. Strategic alliances and collaboration between biotechnology organisations and pharmaceutical organisations create customer value and financial success for both types of organisations (Nicholson, Danzon & McCullough, 2005). As a consequence, pharmaceutical organisations depend largely on biotechnology organisations to create and develop new molecules for drugs (Nicholson, et al. 2005). Pharmaceutical organisations are commonly referred to as the client organisation, and are responsible for the commercialisation of new products, whereas the

biotechnology organisation is called the R&D organisation that develops new therapeutic drugs (Kim, 2011). The alliance between the two organisations is viewed as an R&D alliance, which is ultimately collaboration between two organisations to pool their resources in an attempt to launch a new product (Kim, 2011).

In addition to R&D alliances, pharmaceutical organisations form alliances such as licensing agreements, sales and marketing agreements (Lin & Darling, 1999). Licensing agreements occur when one organisation sells the rights to use that firm's patent to another pharmaceutical organisation (Sohn, 2006). Sales and marketing agreements between pharmaceutical organisations gain to enhance market access. Eli Lilly is an example of an organisation that had several sales and marketing alliances with other pharmaceutical organisations. Eli Lilly formed sales and marketing agreements with several other organisations, which include Takeda on oral diabetes drugs, with ICOS on an erectile-dysfunction drug, with Boeringer-Ingelheim on an antidepressant and with Amgen on a diabetes agent (Stach, 2006). The latest licensing agreement Eli Lilly signed was with Sanofi in 2014. This agreement offers Sanofi the right to market Eli Lilly's over-the-counter erectile dysfunction drug Cialis (Periodical: Chain drug review, 2014). By forming alliances, pharmaceutical organisations engage in strategic synergies that provide long-term success for all organisations involved in the strategic partnership (Kestic, 2009). Successful alliances between pharmaceutical organisations provide a strong motivation for repeated deal formation between the alliance partners (Kim, 2011). In South Africa, Sanofi engages in several deal formations with various alliance partners.

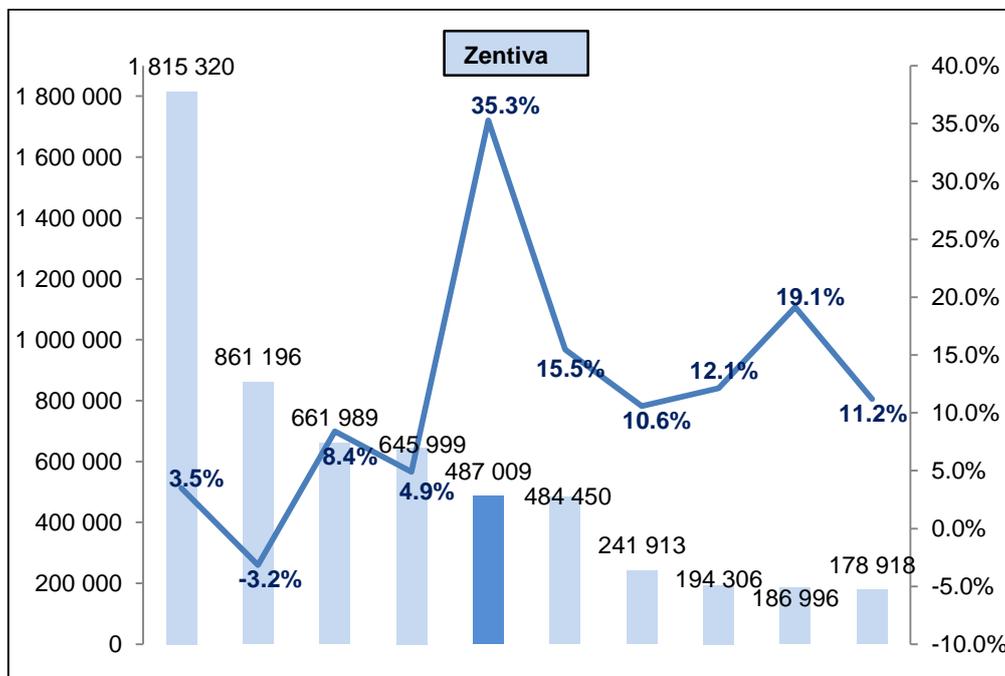
### 1.3.3 Sanofi: The organisation under study

Sanofi is a large, multinational French pharmaceutical organisation and a diversified global leader in healthcare with a rich heritage of pharmaceutical research and development. The guiding principle of Sanofi's business principles has always been to discover and develop innovative, effective and well-tolerated drugs (Economic Review, 2012). Globally, Sanofi's growth objectives included the acquisition of 23 organisations, entering two joint ventures and 61 in-licensing agreements since

January 2009. Sanofi’s aim is to steer the organisation toward biologics. This attempt will steer Sanofi away from R&D that depends on patents (Matthew, 2011). One of Sanofi’s acquisitions included the acquisition of a European-based generic organisation, Zentiva in 2009 (Granier & Trinquard, 2012). Zentiva is an international leader that develops, produces and distributes high quality affordable generic medicines. Zentiva is the 3rd largest generic company in Europe (Sanofi, 2013) and the acquisition of Zentiva aims to prevent the competitive action and market share threats from generics globally. Through the acquisition of Zentiva, Zentiva’s footprint is extended to more countries such as South Africa.

### 1.3.4 Zentiva, a division of Sanofi in South Africa

Zentiva is a division of Sanofi in South Africa and is viewed as the fastest growing generics organisation in South Africa. Figure 1.2 below compares the value growth of Zentiva in relation to the other top generic companies in South Africa.



**Figure 1.2: South African generic Market – Top 10 companies (value and growth)**

(Source: Sanofi, 2013)

Based on Figure 1.2, Zentiva grows at 35.3% annually, demonstrating the highest growth of a generics organisation in South Africa. During 2013, Zentiva generated R 487 009 million in revenue, rendering it to be the fifth largest generic organisation in South Africa. The generic organisation with the highest yield in revenue generated R1,8 billion during 2013. One of Zentiva's key drivers for value growth is ascribed to strategic alliance formation with alliance partners (Sanofi, 2013).

### 1.3.5 Zentiva's alliance strategies in South Africa

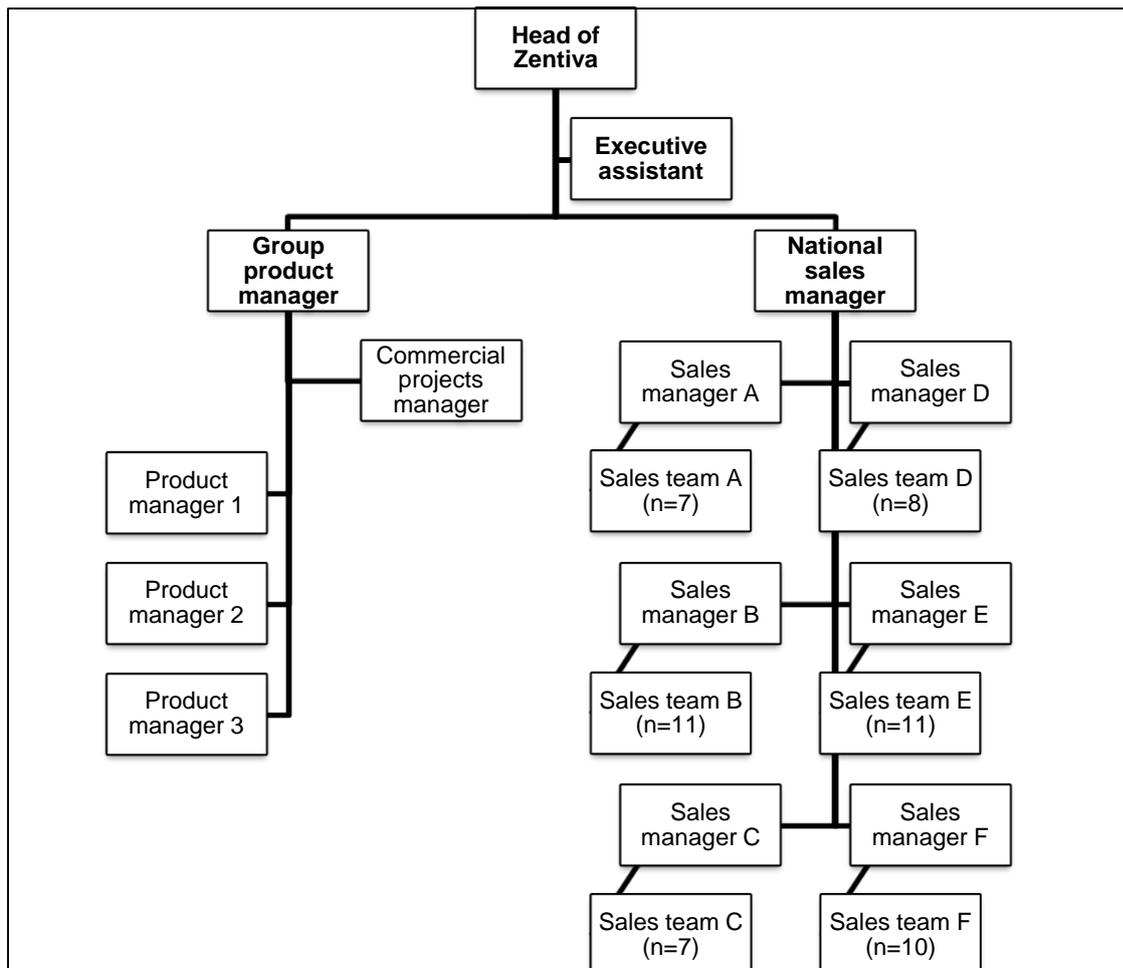
Zentiva produces both generic and pseudo-generic drugs (Sanofi, 2013). Pseudo-generics are identical to the original product and are manufactured by the same manufacturer of the original drug. The production of a pseudo-generic occurs on the same production lines with identical formulation and standards as the originator product, but is however, marketed as a generic at the price of a generic drug (Hollis, 2005; Granier & Trinquard, 2012). Pseudo-generics are also referred to as clones (Sanofi, 2013). Clones are referred to as the actual products being sold by Zentiva on behalf of the alliance partners. The clones are both Sanofi's own clones (defensive clones), as well the clones produced by alliance partners (offensive clones).

Strategic alliances are business strategy vehicles for Zentiva in South Africa. Zentiva forms strategic alliances with other pharmaceutical organisations to market and sell these organisations' clones (Sanofi, 2013). As a result, fifty percent (50%) of all clones in South Africa are marketed by Zentiva. To date, Zentiva formed alliance agreements with six (6) multinational clone partners in South Africa, which include Bayer, Jansen-Cilag, MSD, Astra-Zeneca, Tekeda and Eli-Lilly. The alliance partnerships that Zentiva forms with other pharmaceutical organisations are separate and distinct from each other. Each partnership undergoes a unique contract with differing conditions around a different product or range of products. The alliance partners manufacture and supply their own clones. Generally, the alliance partner maintains ownership of the intellectual property. Zentiva markets and distributes the

clones. Zentiva's alliances are therefore marketing and distribution agreements with only two parties involved in each alliance. This may be viewed as a series of individual alliances. Consequently Zentiva obtains temporary use of the intellectual property to market and distribute the clones by using its own expertise and resources (Sanofi, 2013). The human resources responsible for implementing the sales and marketing objectives of the strategic alliance strategy are described in the next section.

### 1.3.6 The organisational structure of Zentiva

In South Africa, Sanofi's sales structure contains twenty-three (23) sales teams. The Zentiva division consist of six (6) sales teams and is responsible for the sales and marketing of generics and clones. The organisational structure of the Zentiva division is depicted in Figure 1.3 below:



**Figure 1.3: Organogram of management structure at Zentiva**

(Source: Sanofi, 2013)

Figure 1.3 above illustrates the organogram that describes the divisional structure of Zentiva. Zentiva’s management structure contains three management levels. At the apex rests the position of the head of Zentiva. The next level of management contains two middle management members, the national sales manager and the group product manager. The third and lowest level of management comprises three product managers and a commercial project manager, reporting to the group product manager. In addition to the lower level management team, are the six sales managers who report to the national sales manager. Each sales manager is responsible for managing his/her own sales team. Each sales team varies with regard to the number of sales people who are clustered to form each sales team.

This study therefore assessed the leadership behaviour of sales managers, who serve as a representation of the lower level of management, and their relationship with the motivation of sales teams. Tannenbaum and Schmidt's (1958), as well as Vroom and Yetton's (1973) behavioural theory reflecting on autocratic leadership was consulted for the purpose of this study. Hersey and Blanchard's situational leadership theory (1969) and the theory pertaining to team leadership will also be included as a leadership behaviour that may be exerted by sales managers. Sales managers are required to make formal decisions to ensure that objectives are achieved and as leaders, sales managers are required to establish healthy interpersonal relationships with their sales team members, providing the necessary motivation and encouragement to influence sales team members to achieve organisational objectives. The formal leader-follower structure may have different implications in terms of motivation and performance. A sales manager (line manager), is very often the mechanism required to inspire and motivate his/her followers (Legace, et al., 2011) and leadership behaviour may encourage followers to enhance their commitment and satisfaction (Jing & Avery, 2008). There appears to be a relationship between followers' inner drive and their leader's behaviour, which in turn, is deemed important in organisational performance.

The leaders in this study are represented by the sales managers, whereas sales teams are the followers. Sales team members are the actual field workers responsible for implementing strategic alliance strategies set by the top management team of Zentiva. The various sales teams within the organisation may be referred to as work teams. Several studies related to the motivation of sales people were conducted and for the purpose of this study, a discussion of previous research on motivating sales people in the pharmaceutical industry is discussed below. An explanation of various theories of motivation is provided in Chapter 3.

### 1.3.7 Previous research in the pharmaceutical industry

In order to ensure that sales people are optimally motivated, sales managers need to understand which factors will essentially motivate sales people. In a study conducted in the pharmaceutical industry in Pakistan, the researchers' objective was to address

the complex issue of how to motivate pharmaceutical sales people (Malik & Naeem, 2009). Job content and job context factors were identified in this assessment. Table 1.1 below highlights the various job content and context factors and depicts the mean scores obtained for each factor.

**Table 1.1: Relative rankings of job content and context factors.**

| <b>Job-related factors</b>      | <b>Mean</b> | <b>Rank<br/>(Most important factors)</b> |
|---------------------------------|-------------|--|
| Good pay and fringe benefits    | 3.35        | 1  |
| Job security                    | 4.18        | 2  |
| Promotion opportunities         | 4.72        | 3  |
| Personal growth and development | 5.16        | 4  |
| Good supervision                | 5.40        | 5  |
| Recognition for job well done   | 5.89        | 6  |
| Supportive co-workers           | 5.98        | 7  |
| Interesting work                | 6.65        | 8  |
| Good operating procedures       | 6.76        | 9  |
| Good working conditions         | 6.92        | 10                                       |

(Source: Malik & Naeem, 2009)

The results presented in Table 1.1 above demonstrate that good pay and fringe benefits ranked as the most important factor in motivating sales people. Job security and promotion opportunities ranked second and third. It is important to note that good supervision was ranked fifth in the study of Malik and Naeem (2009), which highlights the relative importance of the sales manager in motivating his/her sales people. In a similar study, Parvin and Kabir (2011) assessed factors that influence employee job satisfaction in the pharmaceutical sector in Bangladesh and found that working conditions, pay and promotion, fairness, job security, relationship with co-workers and relationship with immediate supervisor were the top motivating factors that enhance employee satisfaction. A mean score of 2.81 was obtained on the

relationship with the immediate supervisor, which demonstrates that the relationship with the supervisor or sales manager influences job satisfaction in pharmaceutical sales people.

### 1.3.8 Motivation of sales people in the pharmaceutical industry

To enhance the satisfaction levels of pharmaceutical sales people, managers must ensure that the environment is conducive to job satisfaction (Singh, 2010). Singh (2010) researched job satisfaction among pharmaceutical sales people from both local and multinational organisations in Cape Town. Job content and job context factors of job satisfaction were assessed. The findings revealed that growth, relationship with co-workers, promotion opportunities, recognition and job security were overall factors that improve job satisfaction. In a separate study conducted in Kwazulu-Natal, job satisfaction using Herzberg's motivation and hygiene theory was assessed among pharmaceutical sales people from different pharmaceutical organisations (Roopai, 2012). The highest levels of satisfaction were achieved for working conditions, work itself and recognition. Overall, sales people were satisfied with their jobs.

The importance of factors other than money should not be ignored and cognisance should be taken of the importance of various non-financial factors in the motivation of pharmaceutical sales people. Wiese and Coetzee (2013) identified twenty five factors that drive pharmaceutical sales people from three pharmaceutical organisations in South Africa. The results of the study indicate that pharmaceutical sales people in South Africa ranked "good customer relations", "being well informed", "strong products and brands", "job security" and "high ethical standards in my company and job" as the five most important non-financial motivating factors. In comparing the findings of Malik and Naeem (2009), Singh (2010), Roopai (2012) and Wiese and Coetzee (2013), the following common non-financial motivating factors were identified:

- Job security
- Promotion opportunities

- Personal growth
- Recognition for job well done
- Good supervision or support from manager.

Good supervision or support from management confirms the relevant importance the sales manager may exert in motivating sales team members. In a study conducted in five large pharmaceutical organisations (Servier, Abbot laboratories, Novartis, Pfizer and Glaxo Smithkline) in Pakistan in 2011, the relationship between leadership and employee performance was investigated (Durrani, Ullah & Ullah, 2011). Motivation was one of the key factors assessed in the relationship between the two constructs mentioned above. It was concluded that a relationship exists between effective leadership and employee performance. This implied that managers need to focus on intrinsic and extrinsic factors to increase motivation levels of subordinates (Durrani, et al., 2011). This study may also be replicated in other countries, such as South Africa, as all of the above multinationals have a presence in South Africa.

Managers should conduct more surveys to ascertain which factors motivate sales people as a mismatch may exist between a manager's perceptions of a sales person's valence for example, as compared to the sales person's actual valence (Nwude & Uduji, 2013). A sales manager's knowledge of a salesperson's true motivators may add to the success of strategy implementation. The problem statement is discussed next.

#### **1.4 PROBLEM STATEMENT**

Successful implementation of strategies is deemed important for organisational performance. However, according to David Norton, author and professor at Harvard Business School, 90% of business strategies fail due to poor implementation of the strategic plan (Glatstein, 2008). No significant progress had been made by organisations to overcome implementation problems. Implementation problems experienced in 2013 were still similar to implementation challenges in 2005 (Hrebiniak, 2013). One of the obstacles related to strategy implementation continues

to be the need for greater involvement of more role players in the implementation process. Furthermore, strategy implementation is more challenging than strategic planning (Hrebiniak, 2013). Engaging in strategic alliance strategies in emerging markets may pose as an additional challenge. Strategic alliances are an important relationship between organisations (Mowla, 2012), however, strategic alliances are senseless when an organisation lacks the skills and resources required to compete in specific markets (Steinhilber, 2013). Key management and leadership skills and behaviours may enhance successful implementation that will effectively align and motivate those responsible for implementing strategies (Parisi & Adl, 2012).

Implementing strategic alliances in a pharmaceutical organisation places a burden on the sales teams not only to adapt to new tactical plans swiftly, but to also undergo constant product training. In addition to these pressures, strategies should be implemented with the necessary motivation, encouragement and enthusiasm from the sales teams. Although research has been conducted in the field of leadership and its relationship with the motivational aspects of sales people, there still exists insufficient evidence of leadership behaviour in a pharmaceutical organisation in South Africa, particularly during a specific stage (implementation) and the application of a specific strategy (strategic alliance). **The problem that this study proposed to investigate is the lack of knowledge about the leadership behaviour of sales managers and its extent in motivating sales teams during the implementation of strategic alliances.**

### **1.5 PURPOSE STATEMENT**

The purpose of this study was to investigate to what extent a relationship exists between the leadership behaviour of sales managers and the motivation of sales teams during the implementation of strategic alliances within a pharmaceutical organisation in South Africa.

## **1.6 RESEARCH OBJECTIVES**

The objectives that were addressed in this study were to:

1. Review the concepts of leadership and motivation against previous literature that is required to motivate followers.
2. Identify the leadership behaviour of sales managers.
3. Measure the differences in perceptions of leadership behaviour.
4. Investigate to what extent a relationship exists between leadership behaviour of sales managers and sales team motivation based on perceptions of sales teams.
5. Determine which leadership behaviour may be required to motivate sales teams during the implementation of strategic alliances.

## **1.7 LITERATURE REVIEW**

Research has been conducted in the field of leadership and its relationship with employee motivation. The literature review presented in Chapters 2 and 3 consists of a revision of the existing body of literature focusing on the strategic management process with emphasis on the implementation of a strategic alliance strategy. The strategic drive that is enacted by the strategic leadership and carried throughout the various levels of leaders (management) and followers are also included. The concepts of leadership are discussed with the inclusion of the various leadership theories and models. The leadership theories and models are discussed at greater length in Chapter 2. This study also reviews literature pertaining to employee motivation and the relationship between leadership and motivation. Chapter 3 expounds on the various theories and models of motivation. Below is a list of the definitions of the key terms used in this study.

### 1.7.1 Definition of key terms

Leadership: Is the foundation of an organisation, which consists of leaders and followers with a shared sense of trust, commitment, imagination and ability to take risks (Willink, 2009)

Motivation: Motivation is an inner drive that allows individuals to be moved towards an end-result (Ryan & Deci, 2000)

Strategic alliances: Strategic alliances are long-term collaborative arrangements between two or more firms to execute specific transactions for mutual gain and to maximize performance through cost reduction, knowledge acquisition and or market expansion Zoogah et al. (2011)

Strategy implementation: Strategy implementation is a systematic process composed of a logical set of connected activities that enable a company to make a strategy work. (Cater & Packo, 2010)

Strategic management: Strategic management deals with intentional and emerging aspects initiated by senior managers on behalf of owners and shareholders, by using the organisation's resources in order to enhance organisational performance (Nag, Hambrick & Chen 2007)

Sales teams: The sales people are grouped into sales teams who are primarily responsible for establishing a healthy relationship between a buying and selling organisation (Weitz & Bradford, 1999)

Sales managers: Sales managers form part of the lower management team and are responsible for a group of sales people (Baldauf, Cravens & Piercy, 2001; Friedman, 2006)

## **1.8 RESEARCH DESIGN**

Sales managers were the units of analysis and both the sales managers and the sales team members reporting to the sales managers were the respondents in this study.

A case study is a type of qualitative research in which in-depth data are gathered on a single person, program, or event in order to learn more about an unknown or poorly understood situation (Leedy & Ormrod, 2010:108). This approach was appropriate as it provided greater insight and perspective from a variety of respondents. This case study involved a division (Zentiva) of a pharmaceutical organisation in South Africa that is referred to as Sanofi.

A mixed method research was used, consisting of a quantitative research method with a qualitative component. Quantitative research emphasises the measurement and analysis of relationships between or among variables (Benoit & Holbert, 2009). The research variables applicable to this study were leadership behaviour and motivation. Leadership behaviour was the independent variable with motivation as the dependent variable. This was a correlational study, with the aim of establishing to what extent a relationship exists between leadership behaviour of sales managers and motivation of their subordinates, the sales teams.

The strategy involved collecting primary data through the use of a pre-determined survey questionnaire. The perceptions of respondents were explored using a six-point Likert scale. The questions on the survey questionnaire were developed by the researcher and were informed by the literature in the literature review, which is discussed in Chapters 2 and 3.

This study uses a positivist perspective. The intent of this study was to identify leadership behaviours using a scientific method to design a questionnaire. The focus was on facts or assessment of perceptions of sales teams. The results were used to identify to what extent the leadership behaviour of sales managers have a relationship with the motivation of sales teams. Due to the qualitative component, this study also uses an interpretivist perspective. The interpretivist perspective is

applied because leadership behaviour is identified that may relate to the motivation of sales teams.

The final section of the survey included a qualitative component. The aim of the qualitative component was to explore the perceptions of sales teams regarding the leadership behaviour of their sales managers that may motivate sales teams optimally during the implementation of strategic alliances.

Cronbach alpha was used to test the internal reliability of the questionnaire. Cronbach alpha is a test that calculates the average of all possible split-half reliability coefficients (Bryman, 2012). The alpha coefficient varies between 1 (meaning perfect internal reliability) and 0 (meaning no internal reliability). The reliability test showed that an excellent measure of internal consistency of the constructs in the questionnaire exists.

The internal validity of the questionnaire was established through face validity. In this case, the researcher forwarded the instrument to the organisation's Human resource manager, who is an Industrial psychologist and expert in the field of motivation and leadership. A possible threat to internal validity may have been the researcher's own perceptions on the subject matter. It was imperative for the researcher to remain objective and detached from personal views. External validity is limited due to the fact that the population represents a single pharmaceutical organisation. Hence, generalisations could not be claimed.

### 1.8.1 Population

Sanofi consists of twenty-three sales teams in South Africa. Each team has its own product portfolio for which it carries responsibility of promoting and selling. Of the twenty-three teams, six teams are responsible for implementing strategic alliances. The six sales teams form part of Zentiva, a division of Sanofi. These teams constitute a total number of 54 sales representatives and 6 sales managers.

The population in this study was the 54 sales representatives and the 6 sales managers of the six teams identified for this study, who are directly responsible for implementing strategic alliances. A population is simply every possible member of a

set (Gott & Duggan, 2003:138), which is a large group to which generalisations are made (Black, 2002:48). The population was stratified into six teams, with each team of sales people reporting to a separate sales manager. Teams vary in the number of sales people. Some teams consist of seven sales people reporting to a single sales manager. Other teams consist of eleven sales people reporting to their assigned sales manager. Table 4.1 in Chapter 4 provides an illustration of the structural demarcation of the six sales teams.

### 1.8.2 Data collection and analysis

The data were collected using a structured survey questionnaire. A document requiring informed consent as well as an invitation to participate in this study was sent to all respondents. The document also outlined the purpose of the study, instructions and deadline for submission, as well as the reassurance of confidentiality. The questionnaire was sent electronically using SurveyMonkey. The quantitative data was analysed using the Statistical Package for the Social Sciences (SPSS). The qualitative data was analysed using Microsoft (MS) Excel to quantify the responses and identify key themes.

### **1.9 LIMITATIONS OF THIS STUDY**

This study was conducted in a single pharmaceutical organisation in South Africa. Other pharmaceutical organisations may conduct further research to determine whether the findings in this study may be extended to other pharmaceutical organisations in South Africa. It therefore cannot be claimed that generalisations may be made.

## **1.10 IMPORTANCE AND VALUE**

This study focused on leadership behaviour at lower management level, which was represented by sales managers, who may influence the motivation of the sales teams directly. Much has been published on closing the gap to ensure that the strategic drive reaches all recipients who will actively perform during the implementation of a strategy. This study may shed light on bridging the gap between sales managers and the sales teams reporting to them. In addition, due to the drastic changes in the macro-environment, such as legislative changes, economic recession and political turmoil, this study may provide helpful insight into the mind-sets of the sales teams in a pharmaceutical organisation and their perceptions of leadership behaviour during strategic change and the implementation of new strategies. This in turn may equip strategic leaders with a resource to ascertain which leadership behaviour may be relevant in motivating the sales people in such an instance.

Although research has been conducted in the field of leadership and its relationship with the motivational aspects within a team, there still exists insufficient evidence of leadership behaviour and motivation of sales teams in a pharmaceutical organisation in South Africa, particularly during a specific stage (implementation) and the application of a specific strategy (strategic alliance). It was anticipated that this study could highlight important correlations between leadership behaviour of sales managers and motivation of their sales teams. The contribution to academia is that this study attempted to ascertain to what extent leadership behaviour of sales managers may have a relationship with the motivation of sales teams during a specific stage of the strategic management process (implementation), as well as the implementation of a specific strategy (strategic alliance) within a pharmaceutical organisation in South Africa.

## **1.11 CHAPTER LAYOUT**

This dissertation will be presented in six chapters. A description of each chapter and its content is provided below.

### *CHAPTER 1: RESEARCH ORIENTATION*

Chapter 1 provides background information and the organisational context of this study. The problem statement, the purpose statement, the objectives and the research design is provided. This is followed by a brief summary of the content of the literature review with definitions of key terms. The limitations, importance and value of this study are also given and the ethical considerations are presented.

### *CHAPTER 2: LEADERSHIP*

Chapter 2 provides insight into the strategic management process, the levels of strategy and strategic alliances as a strategic vehicle. Included in Chapter 2, is a literature review of leadership and its conceptualisation from past to present. It assesses various leadership theories and models. The position of followers and work teams are also discussed.

### *CHAPTER 3: MOTIVATION*

Chapter 3 reviews the theoretical concepts and frameworks of motivation. It also discussed the relevance of motivating sales people and its subsequent effect on organisational performance. In addition, Chapter 3 reviews literature on the relationship between leadership and motivation, as well as the factors that motivate sales people.

### *CHAPTER 4: RESEARCH DESIGN*

The research design and strategy is discussed in this chapter. Data collection, data analysis, research quality and rigour are also presented in this chapter. The factor analysis is given in this chapter, followed by a similar layout to present the findings of the reliability test. The limitations of this study are included in this chapter.

## *CHAPTER 5: RESEARCH FINDINGS*

The collected data and its analysis are described in Chapter 5 and are depicted in various forms, including bar charts and tables.

## *CHAPTER 6: RESEARCH CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS.*

The conclusion on the relationship between leadership behaviour and motivation of sales teams is presented in Chapter 6. The results are compared against the objectives to indicate how the objectives were met. The limitations of the study are described. Recommendations for future research are identified.

### **1.12 ETHICAL CONSIDERATIONS**

Based on the University of South Africa's (UNISA) guidelines for research involving human respondents, the appropriate moral and general ethics principles applied to this study. Measures of confidentiality were carefully considered and adhered to. Informed consent was obtained from the organisation as well as from the respondents. The level of risk was addressed and duration of data storage and procedure for disposal of data were stipulated.

## **1.13 CHAPTER CONCLUSION**

The overriding purpose of this study is to investigate to what extent a relationship exists between leadership behaviour of sales managers and the motivation of sales teams during the implementation of strategic alliances within a pharmaceutical organisation in South Africa. Chapter 1 began with a description of the background, the organisational context, the problem statement and purpose statement of this study. The objectives were stated and a brief summary of the content of the literature and relevant key terms were presented. The research design was explained as well as the limitations, the importance and value, followed by a layout of the six chapters in this study. Chapter 1 concluded with a summary of the ethical considerations.

Chapter 2 presents a literature study which focuses on the first construct of this study, which relates to leadership.

## **2.1 INTRODUCTION**

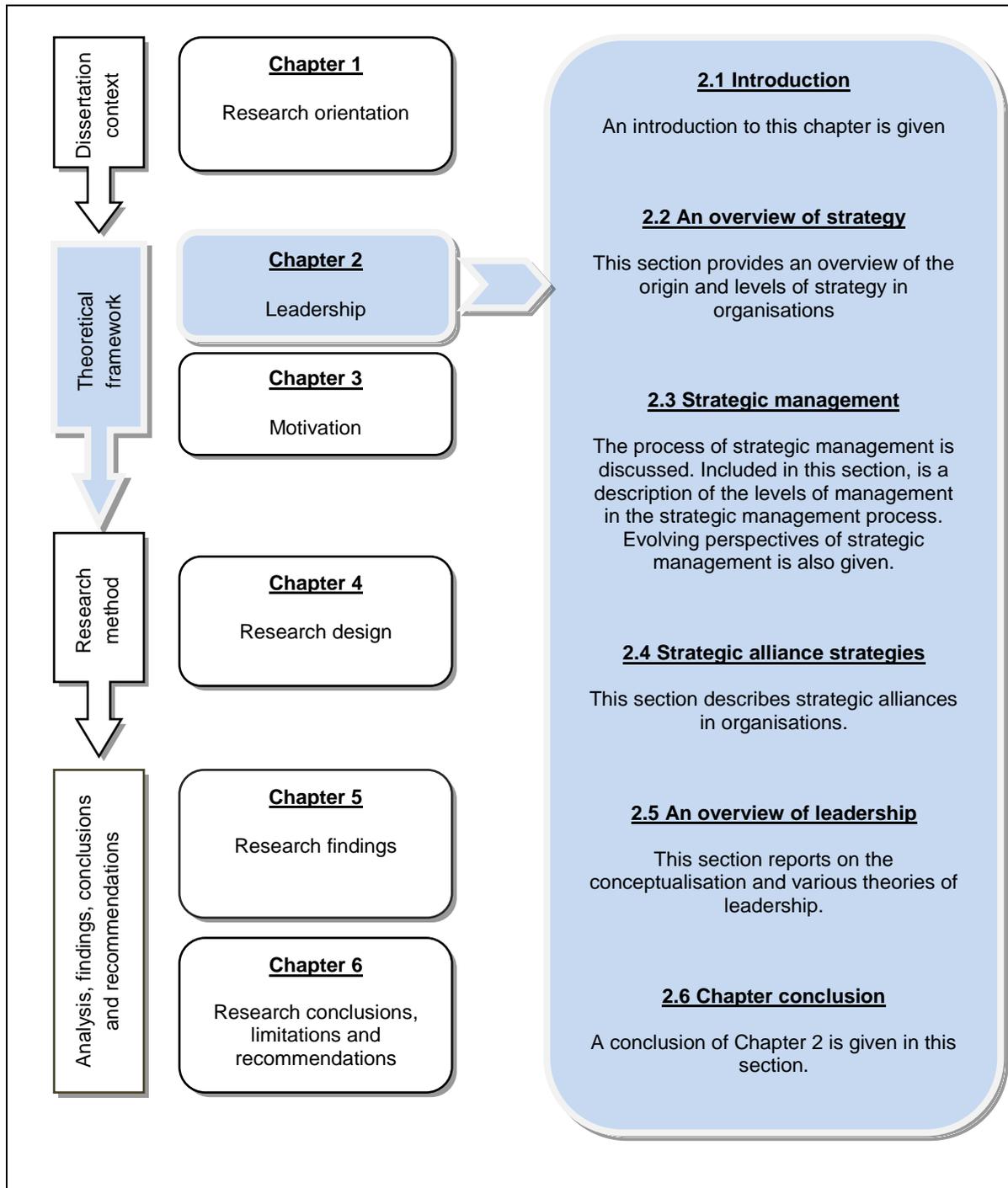
The research objectives of this study were stated in Chapter 1. The first objective is to review the concepts of leadership and motivation against previous literature that is required to motivate followers. The second objective is to identify the leadership behaviour of sales managers. The third objective aims to measure the differences in perceptions of leadership behaviour. The differences in perceptions will be measured between the six sales teams as well as between the six sales teams and their respective sales managers. The fourth objective of this study investigates to what extent a relationship exists between current leadership behaviour of sales managers and motivation of sales teams based on the perceptions of the sales teams. Fifthly, this study aims to determine which leadership behaviours are required to motivate sales teams to ensure successful implementation of strategic alliances.

Chapter 2 provides a review of the literature on leadership and is directly linked to the first objective of this study. The purpose of conducting a literature review on leadership is to examine the leadership behaviour and its relative importance in an organisation, especially during the implementation of a strategic alliance strategy and to position this study in the existing body of literature. It is necessary to provide an overview of the strategic management process, as well as the roles of various members of the organisation in the implementation of strategies, and finally, to discuss strategic alliance as a growth strategy to ensure positive organisational performance.

Organisational performance is a key objective of any enterprise, which is reflected amongst others, in the productivity of the members of the organisation. Organisational performance may be measured in terms of sales revenue, profit, growth, development and sustainability (Obiwuru, Okwe, Akpa & Nwankwere, 2011). Effective leadership behaviour and its relationship with motivational aspects are deemed to play an important role in ensuring that organisational objectives are achieved. A sales manager's leadership behaviour may be instrumental in enhancing the motivation of sales people. Sales people are key players on an operational level

as they have an important role in the implementation of the strategic plan. Therefore, Chapter 2 provides an overview of the strategic management process and strategic alliances as growth strategies. In addition, the concept of leadership, in order to establish its relative importance in organisations, is explored. The literature review includes definitions and theoretical concepts of traditional and contemporary leadership and its role in formal organisations. An overview of commonly researched contingency models is also provided. Finally, the concept of followership is addressed, focusing on followers forming part of work teams.

Figure 2.1 provides an overview of the content of Chapter 2.



**Figure 2.1: Diagrammatical layout of Chapter 2**

(Source: Author)

## **2.2 AN OVERVIEW OF STRATEGY**

This section provides an overview of the concept and levels of strategy as a prelude to the study of strategic management. A discussion of strategy is relevant, because strategy and strategic management is a coherent set of actions in the attainment of an organisation's objectives (Eden & Ackermann, 2013).

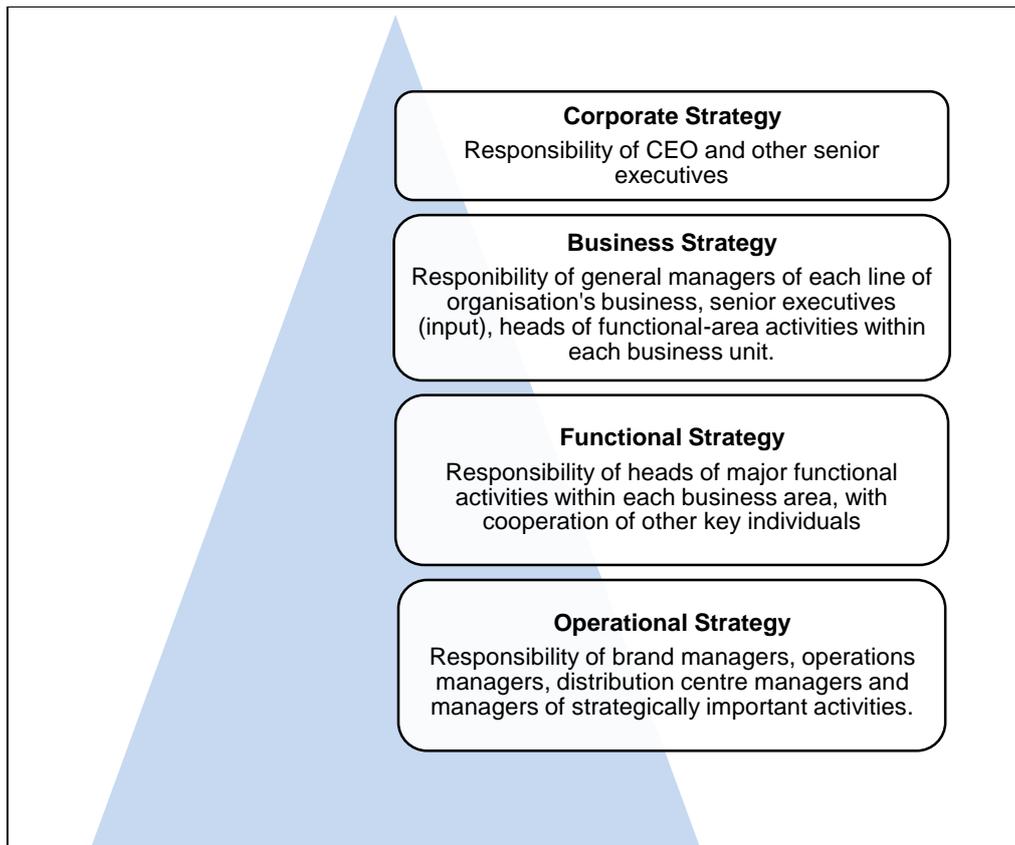
### **2.2.1 An introduction to the concept of strategy**

The concept of strategy was originally deployed in a military setting, but has been adapted for business use as a systematic process that leads to superior organisational performance (Aswathappa & Keddy, 2010; Amason, 2011). Strategies are therefore regarded as an art of war and the deployment of troops (Aswathappa & Keddy, 2010). The term strategy originates from the Greek word "strategos", which refers to a mix of actions aimed at defeating an enemy (Eden & Ackermann, 2013).

A successful strategy consists of three fundamental properties. Firstly, a strategy must have clear objectives. Secondly, a strategy incorporate major policies for decision-making and thirdly, a strategy must contain an actionable agenda in order to achieve organisational objectives (Aswathappa & Keddy, 2010). A strategy is future-oriented, which affects an organisation's long-term well-being for at least five years (David, 2011). Strategies are created out of careful analysis and planning, but may also emerge as a result of an interaction between the organisation and its environment (Amason, 2011). Carefully planned strategies are labelled as proactive strategies, whereas emergent strategies are also referred to as reactive strategies (Thompson, Peteraf, Gamble & Strickland, 2012). Important considerations of strategies are that strategies require top management decisions and a considerable amount of organisational resources, capabilities and methods to achieve organisational objectives (David, 2011; Stringham, 2012). The organisational resources, capabilities and methods ultimately describe what an organisation wants to do, how it will be done and what will be used to achieve objectives (Stringham, 2012). Strategising occurs at various levels of the organisation (Stringham, 2012).

### 2.2.2 Levels of strategies

The levels of strategies take a hierarchical view with a top down approach, whereby strategies cascade in a descending order, in which subordinate levels develop their strategies based on strategies set at higher levels (Chakravarthy & Henderson, 2007; Stringham, 2012). Strategies are set at four levels in large, multi-business organisations, which range from a top level to a bottom level. The four levels of the strategy hierarchy are the corporate strategy, business strategy, functional strategy and the operational strategy (Thompson, et al., 2012). Figure 2.2 illustrates the various levels of strategies.



**Figure 2.2: The strategy-making hierarchy**

(Source: Adapted from Thompson, Peteraf, Gamble & Strickland, 2012)

Figure 2.2 illustrates the hierarchical view of strategy in a large organisation. The highest level of strategising occurs at corporate level, whereby decisions rest with the Chief executive officer (CEO), the board of directors other chief executives and administration officers who sets long-term objectives (Pearce & Robinson, 2009; Aswathappa & Keddy, 2010). Corporate strategies are long-term strategies that aim to gain competitive advantage by managing a group of businesses that compete in various product and service markets. The purpose of corporate strategies is to obtain profitable sales growth (Ireland, Hoskisson & Hitt, 2011). Corporate strategies are concerned with three key issues (Hunger & Wheelen, 2014). The first issue relates to the organisation's intent for growth, stability or retrenchment. The second issue is concerned with the industry or markets in which the organisation compete and lastly, the methods managers choose to coordinate activities, resources and capabilities amongst product lines and business units.

Business level strategies are set after corporate level strategies (Pearce & Robinson, 2009; Aswathappa & Keddy, 2010). The role players at this level are the heads of business and corporate managers who translate the strategic intentions set at corporate level into strategies for each business unit. In addition to business level strategies being set, are functional level strategies, which include managers such as marketing and sales managers, financial managers, human resource managers as well as operations managers, who are more concerned with setting short-term objectives (Pearce & Robinson, 2009). Functional managers also have an important strategic role. They formulate important strategies that fulfil the strategic objectives set by corporate- and business-level managers (Jones & Hill, 2012). Operating strategies are set at the bottom level and the purpose of operating strategies is to manage key operating units that include plants, distribution centres, as well as specific operating activities that involve quality control, brand management, sales management and Internet sales (Thompson, et al., 2012). The making and crafting of strategy is ultimately a collaborative team effort that requires the inclusion of all managers at various organisational levels towards the accomplishment of organisational objectives (Thompson, et al. 2012). The roles of the various levels of management in the strategic management process are discussed more broadly in Section 2.3.2.

Research on strategy making focuses on how effective strategies are created in an organisation, how it is validated and eventually, implemented successfully (Chakravarthy & Doz, 1992). Strategies are managed through the guidance and frameworks set within the field of strategic management, which is discussed next.

## **2.3 STRATEGIC MANAGEMENT**

Strategic management deals with intentional and emerging aspects initiated by senior managers on behalf of owners and shareholders, by using the organisation's resources in order to enhance organisational performance (Nag, et al., 2007). Strategic management informs the decisions and actions of top managers (Chakravarthy & Henderson, 2007) through a process of applying strategies in an environment of turbulence and change (Stringham, 2012). A process is the "flow of information through interrelated stages of analysis toward the achievement of an aim" (Pearce & Robinson, 2013:15). A discussion of strategic management as a process follows in the next section.

### **2.3.1 Strategic management as a process**

The strategic management process has traditionally been described as a top-down, linear approach, whereby action plans are passed down from top management to line managers for implementation (O'Shannassy, 2003). Strategic management also serves as a framework to guide the thinking patterns of top management and functions as a process to ultimately drive actions (Amason, 2011). The traditional strategic management process consists mainly of three distinct phases, namely strategic formulation, implementation and evaluation (Aswathappa & Keddy, 2010; David, 2011).

In practice, strategic formulation may be viewed as *strategic programming*, which is the articulation and extension of existing strategies (Mintzberg, 1994). Strategy formulation is the process by which a strategy is developed (Carpenter & Sanders, 2009). The strategic plan sets the organisation's direction, performance targets and strategy (Thompson, et al., 2012). The formulation of strategies involves the guidance of top management to define the organisation's business in which it operates and the means it uses to achieve its objectives (Pearce & Robinson, 2013).

Regardless of the origin, careful planning or "serendipity" of a strategic idea, successful strategies depend on effective and successful implementation (Carpenter

& Sanders, 2009). Strategy implementation is a systematic process comprising a logical set of connected activities that enable a company to make a strategy work (Čater & Pučko, 2010). During the implementation stage, actions are enabled toward achieving competitive advantage (Hitt, Ireland and Hoskisson, 2012). Competitive advantage denotes that an organisation's profitability exceed those of rivals in the same industry (Jones & Hill, 2012). Strategy implementation is viewed as the action stage of the strategic management process, which requires the motivation and commitment from all levels of the organisation's hierarchy (Hitt, et al., 2012).

However, a level of uncertainty and doubt is evident with regard to the effectiveness of strategic implementation and whether formulated strategies are actually implemented to their full potential (Jooste & Fourie, 2009). Implementing strategies does not occur without barriers, and one of the key barriers to strategy implementation lies in the shortcomings and challenges of functionally based organisations where cooperation among all functions is necessary (Cocks, 2010). Two types of problems may affect the implementation process. The first group of problems are organisational problems, which are caused by a shortage of entities and people filling certain positions, as well as a lack of the relationships between them. The second group of problems are functional problems, whereby assigned functions are not properly executed, despite the presence of people responsible for executing it (Rojas-Arce, Gelman & Suarez-Rocha, 2012).

Implementation barriers should be avoided and the organisation that excels in the future will be the organisation that understands how to engage every member of the organisation, gain their buy-in to new initiatives, and build capacity for learning at all levels of the organisation (Crews, 2010). There is a strong need for leadership to ensure implementation success and to overcome implementation barriers (Hrebiniak, 2013). Leadership creates an implementation-culture that is based on organisational performance standards.

Due to the changing nature of the business environment, successful implementation requires effective strategic evaluation of implemented strategies, which is the final stage of the strategic management process (Pearce & Robinson, 2013). The strategic management process allows managers at all levels of the organisation to

participate in the formulation and implementation of strategies (Pearce & Robinson, 2013).

### 2.3.2 Levels of management in strategic management

The participative perspective of management involvement ensures that important issues of strategy implementation are integrated into the development of a strategy (Eden & Ackermann, 2013). The ideal strategic management team includes decision-makers from all levels of the organisation who play an integral role in developing teams of interdependent individuals (Pearce & Robinson, 2009; De Church, Hiller, Murase, Doty & Salas, 2010). The strategic apex consists of top management teams whose members each direct their own business unit. At middle-management level, these are smaller units and at lower management level, these are relatively small teams (De Church. et al, 2010). A manager is therefore the link who is responsible for leading the successful formulation and implementation of strategies (Jones & Hill, 2012).

Strategy formulation is largely exercised by the strategic leader and the top management team, with the participation of middle and lower-level managers (Babu, 2012). An important lever for strategy implementation is the organisational structure and the deployment of appropriate resources and capabilities (Pitt & Koufopoulos, 2012), which are driven by the strategic leader (Jones & Hill, 2012). The organisational structure refers to the manner in which responsibilities, tasks and personnel are organised.

The significance of the strategic leadership is depicted in every management and organisational behaviour textbook (Carpenter & Sanders, 2009). Strategic leadership entails the management of an entire organisation and exerting an influence on the organisation's key objectives (Carpenter & Sanders, 2009). The CEO is usually designated as the strategic leader (St. John & Harrison, 2010). Strategic leaders make strategic decisions and set the overall direction of the organisation. The abilities of strategic leaders to impart knowledge, motivate and provide guidance to those responsible for implementing new strategies is strongly advised (Mapetere, et

al, 2012). The strategic leader's loyalty and commitment to the implementation of strategic direction is paramount (Mapetere, Mavhiki, Nyamwanza, Sikomwe & Mhonde, 2012).

Middle-managers drive strategic change set by the strategic leadership and view implementation as their primary role in strategic change (Floyd & Wooldridge, 1992) and are two levels below the CEO and one level above line managers (Huy, 2001). Middle managers have entrepreneurial skills, possess innovative ideas to realise successful change and provide significant input into strategic changes occurring at organisations (Huy, 2001). In an investigation into the drivers of middle management success, the role of middle managers was demarcated into three aspects (Kuyvenhoven & Buss, 2011). Firstly, as implementers, they have to plan and control the implementation of strategies set by top management. Secondly, as networkers, middle-management has to ensure that the process of strategic development and implementation is facilitated effectively by managing diverse relationships inside and outside the organisation and lastly, as sense-makers, they make sense of the strategic change and balance the various concerns of all stakeholders (Kuyvenhoven & Buss, 2011). Middle managers' familiarity with an organisation's systems and operations place them in a suitable position to advise top management on strategic decisions. This knowledge also allows middle managers to foresee potential barriers to strategy implementation (Salih & Doll, 2013).

The strategic drive set by the strategic leader is filtered down to middle-managers, due to the impartation of the above role expectations top-management places on middle-managers (Mantere, 2008). The interaction between strategic leaders and lower level managers such as sales managers is of equal importance as it clarifies strategic direction and ensures equal perceptions. This interaction also strengthens organisational commitment and empowers all members (Savaneviciene & Stankeviciute, 2011).

The sales manager plays an increasingly strategic role in an organisation by providing input in the planning of a strategy (Jobber & Lancaster, 2009). At operational level, a sales manager plays a key role in a salesperson's job outcomes and the development of sales peoples' skills (Evans, Schlacter, Schultz, Gremler & Wolfe, 2002; Kem, Border & Ricks, 2013). The responsibilities of sales managers

include the setting of salespeople's' goals and objectives, forecasting and budgeting, territory design and planning for each sales person, selecting, recruiting, evaluation and control of sales people and finally, sales managers are responsible for motivating salespeople (Jobber & Lancaster, 2009). Additional roles of sales managers include coaching and teaching their subordinates on time-management (Kem, Border & Ricks, 2013). In addition, sales managers provide sales people with social support and assist them in coping with challenges in the workplace. Coaching and guidance from sales managers motivate sales people and create positive emotions (Kem, Border & Ricks, 2013).

Despite a commonality in strategic objectives, there exists a difference in perspective between top and lower level managers. Zaccaro and Klimonski (2001) highlighted several differences between leaders at top and bottom hierarchical levels. The differences are indicated in Table 2.1.

**Table 2.1: Differences in leadership between top and lower level management**

| Top Management  | Lower Management  |
|---|---|
| <b>Direction-setting</b>  |   |
| Planning is done for several years in advance.  | Leaders plan three months ahead   |
| <b>Boundary spanning</b>  |   |
| Leaders span boundaries that link his/her unit to entities outside the organisational boundary.                           | The leader is boundary-spanning between his/her team and other teams within the organisation. |
| <b>Operational maintenance and coordination</b>   |   |
| Direct actions and activities such as the operating processes to provide standardised routines and coordinating patterns. | Coordinative behaviour that is direct   |

(Source: Adapted from Zaccaro & Klimonski, 2001).

Table 2.1 illustrates areas of difference in skills between top management and lower management. The skills and abilities of managers of varying levels are one of the success factors in the pursuit of organisational performance (Herrmann, Komm & Smit, 2011). An analysis conducted by Herrmann, et al., (2011) assessed correlations between leadership and growth by integrating two databases. One database focused on growth performance and the other contained performance appraisals of executives. Findings demonstrated that high growth rates for different strategies are associated with excellence in a range of leadership skills wielded by managers of various levels of the organisation. To achieve stronger growth, companies must assemble a critical mass of talent, which will require attracting and retaining a prejudiced share of excellent leaders (Herrmann et al., 2011). Although similarities may exist in the application of management and leadership across levels of the hierarchy, potentially important differences may also be evident in the type of competencies and expectations required of leaders at varying levels of the hierarchy

(Hiller, DeChurch, Murase & Doty, 2011). In addition, organisations must ultimately align these leaders' roles and skills with the company's growth strategies.

The above discussion on strategic management, levels of strategy and levels of management in strategy focuses mainly on the traditional, linear, top-down perspective of the strategic management process. However, the linear, top-down strategic management process evolved due to uncertainty in the environment since the mid 1980's (O'Shannassy, 2003). The praxis of strategic management is driven by the complexity and dynamic environment of today's organisations (Choo, 2005). Praxis refers to all the activities involved in the strategic management process (Whittington, 2006). Although the hierarchy of strategies was seen as best practice since the 1960's, it is no longer practical due to the turbulence in the macro environment (Chakravarthy & Henderson, 2007). All levels of strategies are becoming complex, contemporaneous and interactive in nature, rendering the hierarchical view of strategy inappropriate.

### 2.3.3 Evolving perspectives on the strategic management process

The hierarchical roles of various stakeholders in the strategic management process changed (O'Shannassy, 2003). Traditionally it was the CEO's responsibility to formulate strategies. In more recent business practice, there is a concurrent and participative flow of information denoting a top-down and a bottoms-up approach to the formulation of strategies. Line managers exercise greater autonomy and responsibility and participate in both strategy formulation and strategy implementation, whereas in the traditional strategic management process, they were excluded from the formulation phase and responsible for implementation only (O'Shannassy, 2003). Strategic planning no longer rests with a narrow group of senior executives only, but may be decentralised to involve every possible unit. Chakravarthy and Henderson (2007) state that strategies set at corporate level does not necessarily lead to greater organisational performance, and agree that the causality of strategy formulation may not always be top down. Chakravarthy and Henderson (2007) suggest that organisations follow a heterarchy of strategies, especially since strategy formulation and strategy implementation became integrated

in a complex manner, whereby each stage clearly influences the other (Amason, 2011).

In a heterarchy of strategies, the aim is to distribute intelligence amongst all members and recognising diversity in knowledge, skills and capabilities within the organisation (Stark, 2001). The movement towards a heterarchy of strategy may overcome uncertainties and enhance interdependence between divisions, departments and work teams (Stark, 2001).

The strategic management process is no longer separated and neatly applied in practice based on the rigidity of the linear model. Strategists no longer follow the process in a rigid manner since there is a give-and-take relationship between the hierarchical levels of the organisation (Aswathappa & Keddy, 2010). The linear approach to the strategic management process may also be unrealistic in strategic decision-making, denoting that the strategic management process is a circular, unbroken process (Thompson & Martin, 2010; Harrison, 2010). The circular and cyclic nature of the strategic management process requires that all members of the organisation's hierarchy address critical questions continuously, especially in the face of dynamic environmental conditions (Thompson & Martin, 2010). The activities of the strategic management process are also performed simultaneously with continual adaptations to strategies, assumptions in the environment, and processes due to new information (Harrison, 2010). The unpredictability and instability of the current, complex environment, the role of lower-level managers, and the fact that many strategies emerge as a result of serendipity provides contemporary views of the strategic management process (Jones & Hill, 2012). Serendipity refers to unforeseen events that occur by chance, thereby steering organisations into new profitable directions (Jones & Hill, 2012).

The contemporary approach to strategic management considers the complexities within which organisations function currently (Pellissier, 2012). Complexity encourages a segmentation of the environment and allows for greater adaptation to the environment through the generation of innovative ideas, operations and behaviour of role players. The complexity-orientation renders the linearity of systems void in the contemporary approach (Pellissier, 2012).

Regardless of whether an organisation considers the traditional approach to strategy or a contemporary approach, organisations must nevertheless, engage in formal planning as a starting point into the journey of strategy making (Jones & Hill, 2012). An organisation may opt for a strategic alliance strategy, which is discussed next.

## **2.4 STRATEGIC ALLIANCE STRATEGIES**

Strategic alliance strategies are instituted as plans to provide an organisation with direction towards long-term business objectives (Pearce & Robinson, 2009). Strategic alliances are long-term collaborations between organisations to enter into agreements for mutual benefit and to increase performance through cost reduction, knowledge acquisition and or market expansion (Peng, (2009) in Zoogah, Vora, Orlando & Peng, (2011)). Agorwal, Croson and Mahoney (2010) add that strategic alliance partners invest in knowledge and commit to “economic value-creating activities” that integrate the resources and capabilities between multiple organisations. Globally, literature points to the fact that alliances are formed to gain commercial or altruistic benefits (Wigley & Provelengiou, 2011). Such a strategy may be essential in ensuring organisational growth.

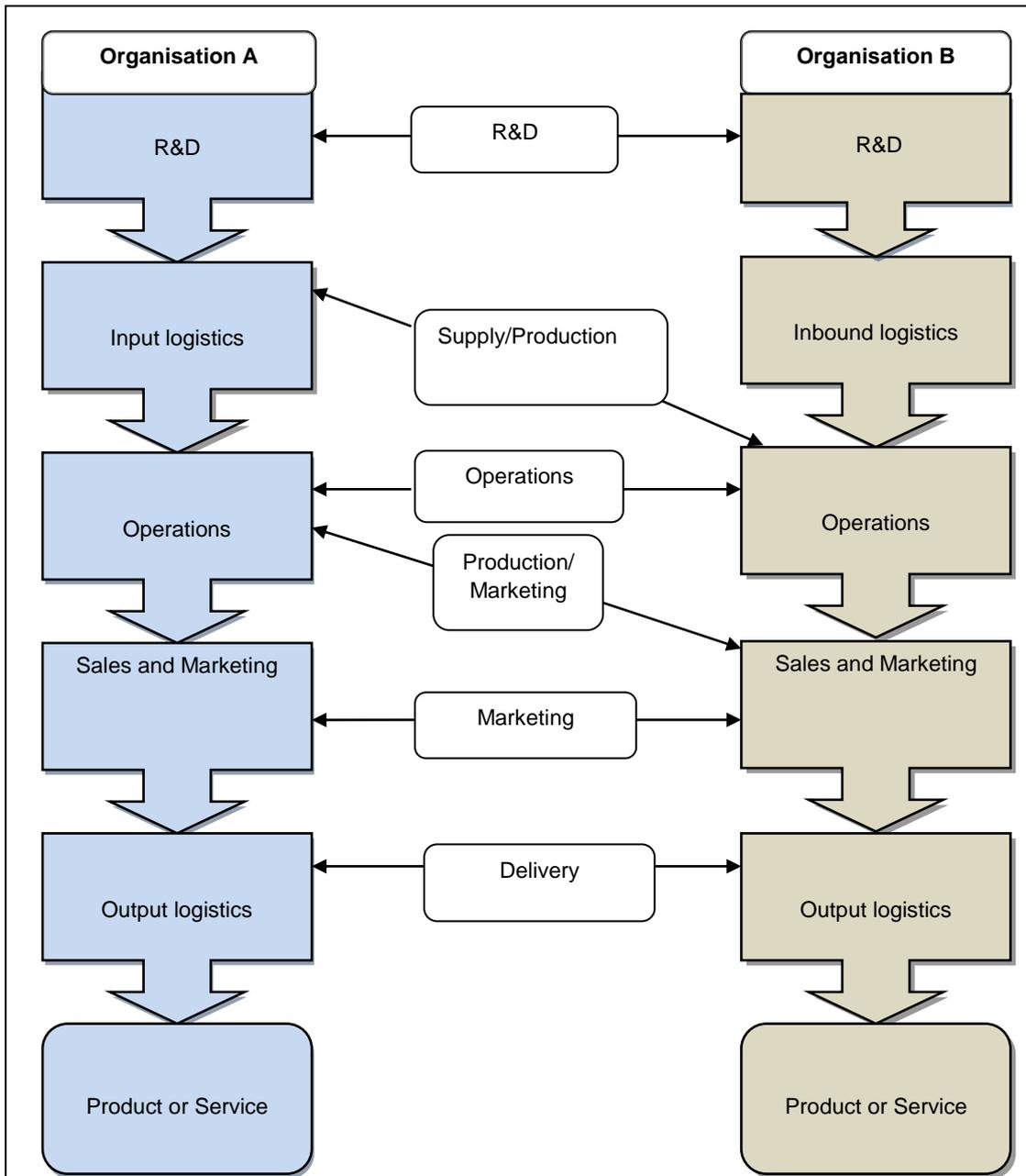
### **2.4.1 Strategic alliances as a platform for growth**

Various growth strategies may be applied and many organisations engage in strategic alliances. Strategic alliances are viewed by investors as opportunities for organisational growth (Keasler & Denning, 2009). Strategic alliance partnerships have grown significantly during the last few years, especially in countries such as the United States of America (USA) and European countries (Holmberg & Jeffrey, 2009), which have become a key strategic factor in gaining a competitive advantage for strategies. The growth objectives of strategic alliances lead to higher performance, while limiting costs (Pitt & Koufopoulos, 2012).

There are several reasons why organisations engage in strategic alliance strategies. Todeva and Knoke (2005) identified several objectives for strategic alliances, which includes access to new and converging technology, seeking market access, learning and internalisation of tacit, collective and embedded skills, obtaining economies of scale, achieving vertical integration, recreating and extending supply links to adjust to environmental changes, diversifying into new businesses, restructuring, improving performance, realising cost-sharing and pooling of resources, reducing and diversifying risks, achieving competitive advantage, gaining cooperation of potential rivals or pre-empting competitors, achieving complementarities of goods and services to markets and obtaining co-specialisation. Based on the organisation's objectives for engaging in strategic alliance strategies, several approaches and types of strategic alliances exist.

The various types of strategic alliances include joint ventures, project-type alliances and contractual agreements (Dyer, Kale & Singh, 2001; Mowla, 2012). Contractual arrangements are short-term contracts that do not require a formal management structure, such as licence agreements, marketing promotion, distribution and service agreements (Mowla, 2012). In the case of joint ventures, separate legal entities are established that will function as organisations that could be sold. Choosing an alliance partner is central to ensuring that superior collaborative knowledge is applied as a high percentage of alliances fail due to non-deliverance of partner-objectives (Mowla, 2012). Organisations may either engage in individual alliances with alliance partners or take on a portfolio approach.

Single alliances occur between two or more organisations (Kale & Singh, 2009). Strategic alliance between organisations leads to a coordinated effort across the value chain activities of the alliance partners. A value chain is a chain of activities that transform organisational inputs into outputs that are regarded by customers as valuable (Pearce & Robinson, 2013). Several points in alliance organisations' value chain may be coordinated. A diagrammatical depiction of the value-chain based alliances between organisations is illustrated in Figure 2.3.



**Figure 2.3: Various points of value chain coordination in strategic alliances between organisations.**

(Source: Adapted from Carpenter & Sanders, 2009).

As can be seen in Figure 2.3, coordination may occur at varying levels of the value chain between organisations that embark on strategic alliance strategies. Organisations may engage in alliance with R&D activities to create new products and at the same time, cooperate in the production and marketing of new products or

services. Based on the above figure, endless cooperation and linkages may occur between organisations engaging in strategic alliance activities (Carpenter & Sanders, 2009).

Strategic alliances are not merely seen as strategies, but are viewed as vehicles for realising a strategy (Carpenter & Sanders, 2009). Strategic alliances are mainly applied as business strategy vehicles, but may also be applied in corporate strategies. An alliance may be strategic in nature for one organisation, but may only be functional or operational to another organisation. The difference depends on the relative size of the alliance partnership and the specific function and purpose of the alliance (Carpenter & Sanders, 2009). Therefore, alliance agreements are rational as long as they support the overall objectives of the relevant organisations more effectively than other alternatives (Holmberg & Jeffrey, 2009).

Strategic alliance as a growth objective must therefore be aligned with the organisation's corporate objectives. Alignment of strategies refer to the notion that all members at varying levels of the organisation are steering in the same direction to support the strategic objectives (Stringham, 2012). As in the case of all strategies, formulation and decision-making is largely set at top level (Pearce & Robinson, 2013). After careful analysis and choice of selecting a strategic alliance strategy, it is imperative that such a strategy is successfully implemented, since strategic alliance is viewed as an important relationship between organisations (Mowla, 2012). The implementation of strategic alliance strategies are discussed next.

#### 2.4.2 Implementing strategic alliance strategies

Performance maximisation cannot succeed without effective implementation, which is activated through various actions, including the effectiveness of responsible teams and strategic alliance managers at top management level (Leung and White (2006) in Zoogah et al. (2011)). An investigation that explored the impact of change due to strategic alliance on the motivation and satisfaction of employees in the logistics organisation in South Africa found that employee involvement, communication and effective leadership was poorly implemented. However, employees understood the

importance of change and remained motivated and committed to the organisation. Employees considered strong, inspiring and consistent leadership as well as frequent and honest communication as essential (Chetty, 2011). Strategic alliances must ultimately contribute to the successful implementation of the strategic plan and a strategic alliance relationship must be endorsed by the strategic leadership and formed by lower management (Mowla, 2012), placing emphasis on a more organisational perspective of leadership.

#### 2.4.3 An organisational perspective of leading to drive strategy implementation

Strategy implementation ensures that the organisation is positioned and managed in congruence with the external environment's demands. The challenge during the implementation of strategy is to apply effective leadership (Mosia & Veldsman, 2004). The challenges imposed by the external environment force organisations to identify leadership roles that will enhance organisational performance (Mosia & Veldsman, 2004). A role may be described as a mix of leadership behaviours within the process of leading (Mosia & Veldsman, 2004). For organisations to remain effective, leadership plays a central role in strategic decision-making and strategic performance (Thompson & Martin, 2010). Leading an organisation is becoming more demanding, complex and dynamic (Pearce & Robinson, 2013) since organisations depend more on the skills of the strategic leader and various senior managers to lead and act swiftly. However, due to the accelerated pace of change in the business environment, organisations are compelled to transfer more authority from strategic leaders to the lower levels of management, leading to a more organisational perspective of leadership (Pearce & Robinson, 2013). Organisational leadership, within the context of strategic management, is the "process and practice by key executives of guiding and leading people in an organisation toward a vision over time and developing that organisation's future leadership and organisation culture" (Pearce & Robinson, 2013:353). Since change has become a significant part of what managers and leaders are facing, the leadership challenge is to galvanise commitment among each employee and stakeholder to implement strategies to ensure organisational performance (Pearce & Robinson, 2013; Hunger & Wheelen,

2014). Strategy implementation therefore requires the full commitment from all levels of management, however, the focus may vary between top-, middle- and lower level managers, but it is each manager's responsibility to ensure the success of implementation (Hrebiniak, 2013).

The leadership context examines leadership from an organisational perspective, which views leadership from all levels of management, starting with the strategic leader. The section to follow provides a review of literature of the concepts, theories and models of leadership.

## **2.5 AN OVERVIEW OF LEADERSHIP**

### **2.5.1 Leadership defined**

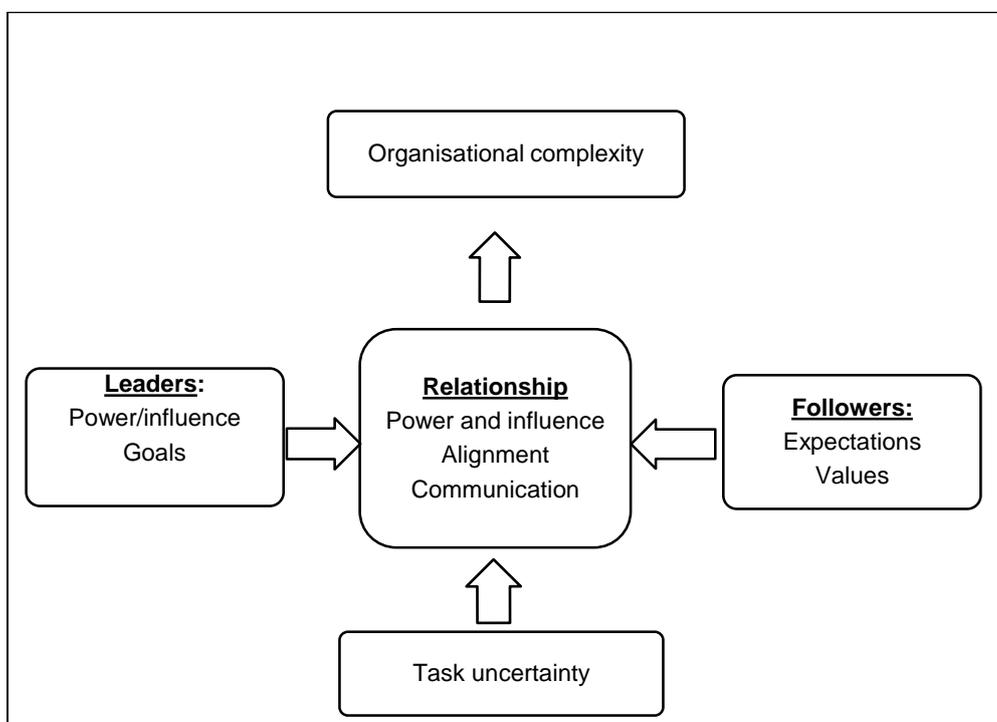
Traditionally, the word leadership was used to indicate abilities, skills or a relationship (Barker, 1997). Subsequently, a more contemporary view is that leadership is a process of influencing others (Vardiman, Houghston & Jinkerson, 2006) and "to understand and agree about what needs to be done and how it could be done effectively, and the process of facilitating individual and collective efforts to accomplish the shared objectives" (Yukl, 2002:7).

The above description of leadership was expanded beyond the simplistic view as the foundation of an organisation, whereby leaders and followers share a sense of trust, commitment, imagination and risk-taking activities (Willink, 2009). However leadership is conceptualised, leadership is defined from various perspectives with several concepts currently in the process of surfacing.

Allio (2013) offers a summarised view by demarcating the term leadership into various working definitions. The early simplistic paradigm views leadership as good management, another definition of leadership is based on a semantic description, which views leadership as a process of leading. Leadership is also defined from a transactional perspective, which refers to a social exchange between leaders and followers. A situational perspective of leadership exist, which views leadership as a

phenomenon that precedes and facilitates decisions and actions. Lastly, leadership is an aesthetic concept that is described as an art or craft (Allio, 2013).

Effective leadership depends on the relationship between a leader and his followers. Within this relationship, there is an alignment of a leader's goals and the followers' expectations (Nohria & Khurana, 2010). Two-way communication also plays a vital role. Of equal importance are the appropriate sources of influence in the relationship between a leader and his followers. Nohria and Khurana's (2010) approach to leadership is proposed to understand leadership in business organisations and is diagrammatically represented in Figure 2.4 below:



**Figure 2.4: A new contingency theory of leadership**

(Source: Adapted from Nohria & Khurana, 2010)

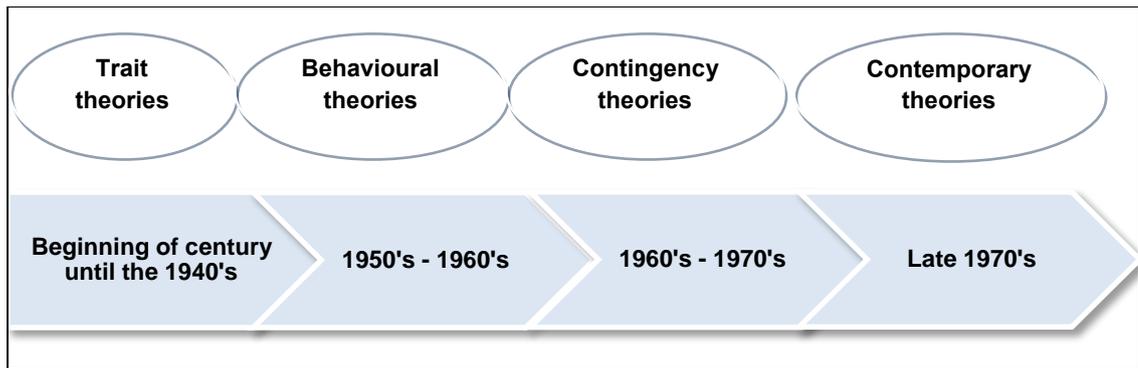
Figure 2.4 illustrates the mix of factors that are required to ensure that an effective relationship is maintained between a leader and his/her followers. The four factors identified, are referred to as contingent factors and include the leader's power, influence and goals, the follower's expectations, the complexity of the organisation,

and the level of certainty or uncertainty of the task at hand. In order to meet the above contingencies, leaders ought to make critical choices and alter their behaviours depending on the organisation's situation (Nohria & Khurana, 2010).

The concept of leadership appears to be described in various ways. Regardless of how leadership is conceptualised, the compilation of definitions for leadership appear to focus on several constructs which make reference to leaders and followers, a relationship comprising social exchange, influence, a context and a process. One could provide a broader definition of leadership encompassing the various approaches to leadership as “the art of leading and influencing others through a process of social exchange between leaders and followers that guides decisions and actions towards organisational performance”, which will be the definition of leadership applied for this study. In order to have a greater insight into a leader's behaviour, a discussion of the history of the various theories of leadership follows.

### 2.5.2 Historical overview of leadership and leadership theories

The concept of leadership relates back to Greek and Latin classics, the Old and New Testaments in the Bible, ancient Chinese philosophers and early Iceland tales (Bass, 1990; Safferstone, 2005). Several leadership paradigms evolved in the twentieth century, which included the trait theories, the behavioural theories and the contingency theories of leadership (Patterson, 1996; Mello, 2003; Wankel, 2009). In 1978, Burns identified and distinguished between transformational and transactional leadership, which was the first set of contemporary leadership theories. Figure 2.4 provides a timeline in order to depict the development of leadership theories.



**Figure 2.5: Development of leadership theories**

(Source: Author)

Figure 2.5 offers an illustration of the development of leadership theories. The trait theories of leadership were the first attempt to study leadership and were most popular until the late 1940's (Patterson, 1996; Mello, 2003; Wankel, 2009). Research in the 1940's and 1950's gave rise to the behavioural theories of leadership (Patterson, 1966). The behavioural theories reigned in the 1950's and 1960's (Mello, 2003; Wankel, 2009) and the contingency approach to leadership became popular from the late 1960's to the late 1970's (Mello, 2003). The sections to follow describe the various traditional leadership theories, which include the trait -, behavioural- and contingency theories of leadership.

### 2.5.3 Trait theories

The trait theories received extensive attention and considerable research was conducted during the first half of the twentieth century. In 1935 Professor Tead of Columbia University introduced ideas about leadership that asserts that leaders possess certain traits which were absent from non-leaders (Johns & Moser, 2001). According to the trait theories of leadership, effective leaders are differentiated from other individuals based on specific traits (Colbert, Judge, Choi & Wang, 2012). Trait theories claim that leaders are genetically predisposed to irreversible traits such as height, physical appearance, intellect, physical energy and dominance (Holt & Marques, 2012). Leader traits are categorised into demographics (such as age, gender, physical characteristics and education), traits related to task competence

(such as intelligence, consciousness, openness to experience, and emotional stability) and inter-personal attributes, which include agreeableness and extraversion (De Church et al, 2010). Leader traits may be limiting to leadership effectiveness as it does not adequately recognise the complexity of varied situations and contexts leading to the question of “Will the leader’s inborn traits allow him/her to behave in a manner that will portray sufficient flexibility to approach situations differently?” The next category of traditional leadership theories include the leadership behaviour theories, which are discussed below.

#### 2.5.4 Behavioural theories

The behavioural theories posit that leaders are differentiated from other individuals based on specific behaviours displayed by them (De Church, et al., 2010). Leader behaviours are demarcated into task processes, relational dynamics and change (DeRue, Nargang, Wellman & Humphrey, 2011). Task-oriented behaviours focus on improving performance, efficiency, operations and the utilisation of resources, whereas relations-oriented behaviour will attempt to enhance human capital relationships. Change-oriented behaviours focus on aiding subordinates in conforming to environmental change (Yukl, 2008). Leaders adopt task-related behaviours when performance levels are inadequate in achieving objectives and may engage in relations-oriented behaviour when commitment or motivation levels of subordinates appear to be low (Kinicki, Jacobson, Galvin & Prussia, 2011).

However, behavioural theories of leadership focus mainly on the leader or supervisor and his/her traits, actions and abilities, denoting that the field of leadership studies has been leader-centric (Wood, 2005). There may be underlying or external factors that may influence the outcomes of situations when leaders operate based on tasks or relational aspects. Scholars in the 1960’s and 1970’s directed their work towards contingency theories that considered situational factors that may limit or potentiate effective leadership (Hernandez, Eberly, Avolio & Johnson, 2011). The development of situational and contingency theories include the complexity of leadership and filled the gap between leadership behaviour and contextual or situational variables (Gudmundson & Southey, 2011), which are discussed next.

### 2.5.5 Contingency theories

Situational variables that promote or diminish the leader's traits or behaviour are called situational moderator variables. The theories that attempt to explain leadership effectiveness in terms of situational moderator variables are referred to as the "contingency theories" of leadership (Yukl, 2002). The contingency theories claim that there is no best way of organising and that one single organisational style may not be effective in all situations (Fiedler, 1964). The contingency theories rest on the notion that an organisation's environment determines the optimal way for it to organise and a match or "fit" between the characteristics of the environment while the organisation is required to enhance organisational performance (Betts, 2011). Contingency theories therefore identify the relevant characteristics of situations in the organisation's environment that affects leader behaviours on aggregate achievements, thereby offering leaders credible guidance on how to behave within specific contexts or situations (Richard, 2010). Lester and Parnell (2007:20) claim that "contingency theory is a perspective that suggests that the most profitable firms are likely to be the ones that develop the best fit with their environment". Some of the contingency theories are highlighted in Table 2.2.

**Table 2.2: Overview of contingency leadership theories**

| Contingency leadership theorist/s | Contingency leadership theory  | Contingency leadership model                  |
|-----------------------------------|--|---|
| Tannenbaum and Schmidt (1958)     | Tannenbaum and Schmidt proposed that leadership style varies along a continuum which includes autocratic, persuasive, consultative and democratic leadership behaviour (Baldon, Gosling, Marturano & Demisson, 2003). The contingency factors Tannenbaum and Schmidt focused on were the group's size, background, values and time pressures (Tannenbaum & Schmidt, 1958).                                   | Tannenbaum and Schmidt's Leadership Continuum |
| Fiedler (1964)                    | Fiedler focused on the relationship between a leader's behaviour and situational factors. Based on Fiedler's contingency model, leadership may be determined based on the favourableness of the situation at hand, which allows the manager to exert an influence on their subordinates (Fiedler, 1967:147).   | LPC (Least Preferred Co-worker) Model         |
| Hersey and Blanchard (1969)       | Leaders adapt their leadership style to the development and maturity level of their subordinates (Blanchard, 2008). It is based on a combination of two leadership behaviours directive and supportive, representing four leadership styles.   | SLM (Situational Leadership Model)            |
| House (1971)                      | The path-goal theory of leadership exemplifies how the leader's behaviour affects the performance and satisfaction levels of followers (Yukl, 2002). The leader has to ensure that that subordinates remain motivated to achieve personal and organisational goals. House (1971) posit that the characteristics of subordinates and characteristics of the task determined the correct leadership behaviour. | Path-Goal Theory                              |
| Vroom and Yetton (1973)           | Vroom and Yetton (1973) focused on the complexity of the task and the expertise of followers. Followers' expertise enabled them to effectively make group-decisions. The group's decision-making style may be autocratic, consultative or group-based.   | Normative Decision Model                      |

(Source: Author)

Table 2.2 offers a summary of contingency leadership theories developed since the late 1950's until the early 1970's. A brief explanation of this leadership theory is provided along with the contingency leadership model designed and developed by the contingency leadership theorist/s. An in-depth explanation of the above contingency leadership models are reviewed next.

### 2.5.6 Overview of Contingency leadership models

Sales managers, like other managers in various organisations, face a diversity of situations. Specifically, within the sales manager context, sales managers are confronted with a few sets of complex relationships within the respective sales teams. The appropriate leadership style and behaviour is required that will be effective in the situation of driving the successful implementation of strategies. Several leadership models exist that attempts to identify the appropriate leadership style or behaviour. Five contingency leadership models are examined below. These are: the Tannenbaum and Schmidt contingency leadership continuum (1958), Fiedler's LPC model (1964), House's (1971) path-goal theory, Hersey and Blanchard's situational leadership model (1969) and Vroom and Yetton's (1973) normative decision model.

- The Tannenbaum and Schmidt Leadership Continuum

Contingency theorists Tannenbaum and Schmidt proposed that leadership style varies along a continuum which includes autocratic, persuasive, consultative and democratic leadership behaviour (Baldon, Gosling, Marturano & Demisson, 2003). They suggest that as leadership style moves away from autocratic behaviour, subordinate participation and involvement in decision-making increases (Tannenbaum & Schmidt, 1958). The four leadership styles that emerge are autocratic, persuasive, consultative and democratic. With the autocratic (Telling) style, the leader is the sole decision-maker and expects subordinates to comply without questioning the leader's decisions. A persuasive (Selling) style allows the leader to make all the decisions for the group without consultation and is of opinion that subordinates will be motivated if they are persuaded that the decisions are good. In using the consultative (Consulting) style, the leader offers dialogue with the group and considers their views prior to making decisions. The decision remains with the leader, but there is a higher level of subordinate involvement. Finally, the democratic (Joining) style makes allowances for subordinates to engage in discussions before decisions are made. The leader allows a decision to emerge based upon the group

discussion. The leader's role is merely one of conference leader, or chair, rather than the decision-maker.

Tannenbaum and Schmidt (1973) described several leadership behaviours. The first leadership behaviour relates to the manager's ability to make decisions and to announce those decisions. The manager makes decisions based on his/her own discretion without considering the inputs and views of subordinates. The manager announces the decision to subordinates for implementation and the subordinates have no alternative but to comply with the decision. Secondly, the manager sells the decision to his/her subordinates and provides an explanation of the idea and persuades subordinates that the decision will be beneficial. Thereafter, the manager presents his/her ideas and invites questions to solicit approval and consequently a tentative decision is made. The decision is subject to change provided that the subordinates offer a better idea. The manager identifies the problem and allows subordinates to recommend solutions. The manager selects the best possible solution and arrives at a decision and defines the limits within which subordinates may make decisions. Decisions are made collectively by both the manager and the subordinates. The manager remains accountable for the decision. Based on various alternatives, the group selects the optimal solution and the manager participates in the decision-making and commits to the decision derived by the group.

- Fiedler's Least Preferred Co-worker (LPC) Model

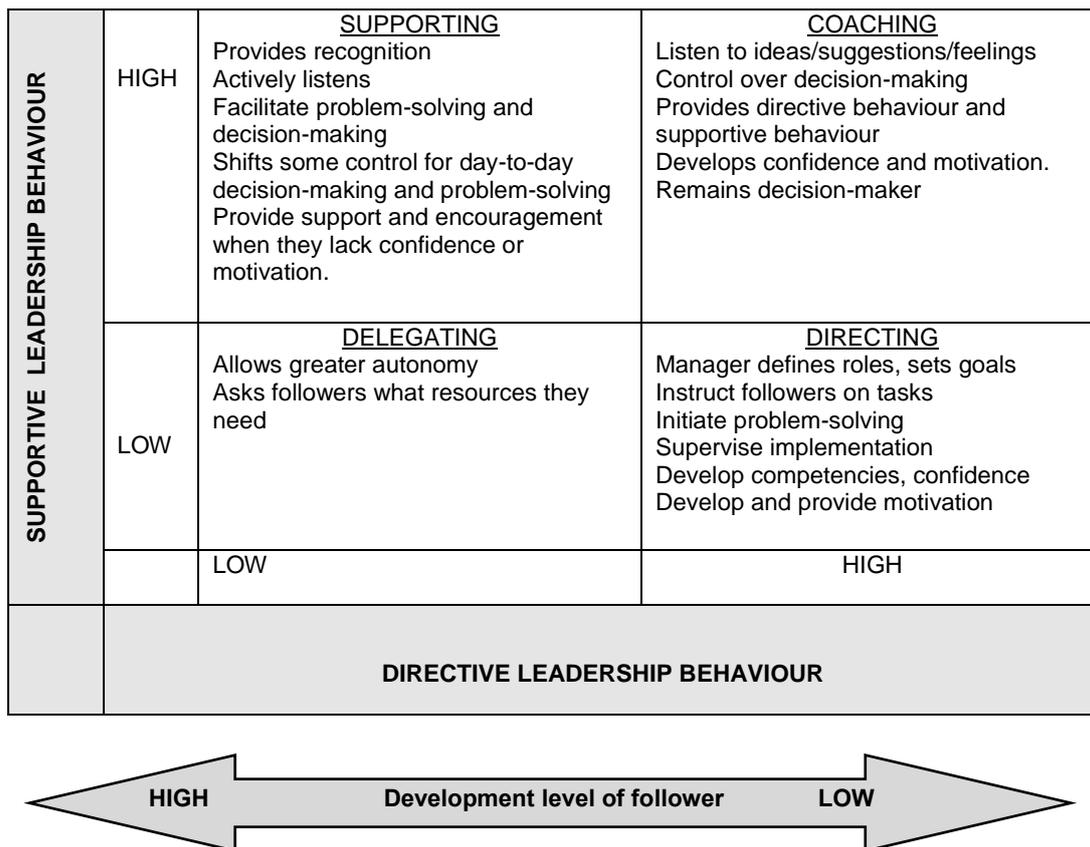
Based on Fiedler's contingency theory, leadership may be determined based on the favourableness of the situation at hand, which allows the manager to exert an influence on their subordinates (Fiedler, 1967:147). The favourableness for the leader may range from a highly favourable to a highly unfavourable situation. The favourableness of the situation depends on three factors, which include leader-follower relations, which reflects how well the manager and subordinates relate to each other, task structure, which assesses the extent to which the tasks define goals, standards of performance and procedures. Task structure may determine whether the job is highly structured, fairly unstructured, or somewhere between the two constructs. The third factor of Fiedler's contingency model is referred to as

position power, which determines how much authority the manager possesses (Baldon et al, 2003).

Fiedler (1964) developed the LPC (Least preferred co-worker) contingency model, which describes how the situation moderates the relationship between the leader's effectiveness and a trait. The LPC determines how task-oriented or relationship-oriented the leader is. The LPC score is calculated when a leader assesses all co-workers and selects one with whom he could work least well. The chosen co-worker is rated based on a set of bipolar adjectives such as friendly – unfriendly or efficient – inefficient. The final LPC score is the aggregate of the ratings.

- Hersey and Blanchard's Situational Leadership Model (SLM)

Despite the presence and application of various leadership styles and theories, the extensive corporate use of Hersey and Blanchard's Situational Leadership Model (SLM) exists. The SLM is based on one of the major theories that link contingency theories with leadership behaviour. According to this model, leaders adapt their leadership style to the development level of their subordinates (Blanchard, 2008) and is based on a combination of two leadership behaviours (directive and supportive), representing four leadership styles. The SLM is depicted in Figure 2.6.



**Figure 2.6: Diagrammatic representation of the Situational Leadership Model**

(Source: Adapted from Irgens, 1995)

The diagrammatic representation of the SLM presented in Figure 2.6 is based on the maturity and developmental levels of followers. Levels are either high or low. Maturity is described on the basis of subordinates' skills, abilities and experience. The leadership behaviours may be:

- Directive: The extent to which a leader engages in one-way communication.
- Supportive: The extent to which a manager engages in two-way communication, listens to subordinates, provides support, encouragement, facilitates interaction, and involves members in decision-making.

The four leadership styles that emerge from this match between leadership behaviour and follower level of maturity are: (1) Directing, (2) Coaching, (3) Supporting and (4) Delegating.

- House's Path-Goal Model of leadership.

The path-goal model of leadership offers insight into how the behaviour of a leader impacts the satisfaction and performance of subordinates (Yukl, 2002). House (1971) states that a leader motivates his subordinates by incrementally offering personal payoffs in order for subordinates to achieve their objectives. The leader will clarify goals and reduce obstacles that will enhance the personal satisfaction levels of subordinates. The major situational factors centre on the subordinates' personal characteristics and the environmental factors that subordinates have to face in order to achieve objectives and attain satisfaction (Carrell, et al., 1997). House (1971) identified four leadership behaviours namely directive, participative, supportive and achievement-oriented.

With the directive leadership behaviour, subordinates are guided into expectations, rules and procedures. Subordinates' tasks are scheduled and well-coordinated. The participative behaviour requires leaders to consult with their subordinates and use the opinions and suggestions of subordinates. By considering the welfare of subordinates, leaders satisfy the supportive leadership behaviour. Lastly, the achievement-oriented leadership behaviour sees the setting of objectives and attainment of performance excellence as a challenge to achieve high standards.

- Vroom and Yetton's Normative Decision Model

Vroom and Yetton (1973) introduced the normative decision model in order for leaders to adapt their type of participation in decision making that will match the situation. The normative decision model makes provision for when the leader should take control of the decision and when to allow the group to make the decision. This model provides a set of questions that determines the most appropriate leadership style in each of several situations.

Vroom and Yetton (1973) identify five decision procedures which involves multiple subordinates. The five decision procedures are: AI, AII, CI, CII and GII. Each decision procedure is presented below:

AI: The leader solves the problem or makes the decision himself.

All: The leader obtains information from the subordinates and decides on a solution himself.

CI: The leader shares the problem with the individual group members and obtains ideas from each person. He makes a decision which may or may not consider the subordinate's inputs.

CII: The leader shares the problem with the group and gathers collective ideas and subsequently makes a decision, which may or may not reflect the inputs from the group.

GII: The leader shares the problem with the group and a collective solution is generated. The leader acts as a chairman, without exerting influence on the group. Finally, the leader implements a solution that satisfies and supports the group.

The contingency theories discussed above concur that the appropriate leadership style and behaviour depends on situational contingencies. However, Nohria and Khurana (2010) claim that no consensus exists regarding what these contingencies are.

### 2.5.7 Integrating contingency leadership

Several viewpoints exist that describe an appropriate leadership style and behaviour based on specific situations. Fiedler (1964), Tannenbaum and Schmidt (1958) and Vroom and Yetton (1973) state that the appropriate leadership style and behaviour is contingent on the nature of the task (Nohria & Khurana, 2010). However, Vroom and Yetton refer to the task as decision making, whereas Fiedler (1964), Tannenbaum and Schmidt (1958) did not offer specificity to the task (Nohria & Khurana, 2010). House (1971), on the other hand, focused on the characteristics of subordinates and characteristics of the task as determinants of the correct leadership behaviour.

Hersey and Blanchard's (1969) situational leadership theory offers an extended view of Tannenbaum and Schmidt's (1958) leadership continuum, whereby leaders match their leadership style and behaviour according to the maturity levels of subordinates (Peretomode, 2012). Hersey and Blanchard's theory focuses on the leader's

flexibility that will ensure leadership success. Tannenbaum and Schmidt (1958) and Vroom and Yetton (1973) posit that leaders could adapt their leadership style and behaviour by changing it to match the situation. Fiedler (1964), on the other hand, argues that it is best to change the situation instead of changing the leader's behaviour (Nohria & Khurana, 2010).

The contingency theories of leadership are contextualised and modelled in a more adaptive and contextually adaptive manner than the trait or behavioural theories. The contexts are relatively narrow and focused on the leader's professional situation or his/her subordinates' situation, instead of the broader organisational context (Nohria & Khurana, 2010). In addition, the presence of the varied traditional theories of leadership may be a cause for some distortion that may hinder a systematic approach should one consider assessing leadership behaviour that overlaps between theories. For this reason, a more methodical framework is required that may distinguish the different theories and at the same time, indicate areas whereby theories may intersect.

#### 2.5.8 An integration of traditional leadership theories

Hernandez et al (2011) conducted a qualitative review of prominent leadership theories to formulate an integrated *leadership system* that classifies leadership theories into a two-dimensional framework. The two dimensions are the locus (source from which leadership arises) and the mechanism of leadership (the manner in which leadership is performed). Figure 2.7 provides an overview of the various leadership theories based on the locus and mechanism of leadership.

|                         |                      | Loci of Leadership   |  |   |   |   |
|-------------------------|----------------------|--|--|---|---|---|
|                         |                      | Leader   | Context  | Followers   | Collectives   | Dyads   |
| Mechanism of Leadership | Traits (To be)       | Trait theories<br>Fiedler's Contingency theory.<br>GLOBE<br>Spiritual, Ethical.  | Fiedler's Contingency Theory   | Path-Goal Theory.<br>Substitutes for Leadership Theory. | Group Composition<br>Trait Approach                                       | Transformational, Charismatic Leadership Theories   |
|                         | Behaviours (To do)   | Behavioural, Transactional, Ethical, Spiritual, Paternalistic Leadership.<br>GLOBE<br>Path-Goal.<br>Performance-Maintenance. | Complexity leadership.<br>Path-Goal Theory.<br>Performance Maintenance.<br>Substitutes for leadership.<br>Leadership Complexity. |   | Network LMX Theory.<br>Social Identity Model of Leadership Effectiveness. | Situational leadership.<br>Transformational, Authentic and Charismatic.<br>Leader-Member-Exchange (LMX) |
|                         | Cognition (To think) | Ethical Leadership.<br>Leadership Complexity.  | Leadership Complexity.<br>Paternalistic Leadership.<br>GLOBE   | Romance of Leadership.<br>Implicit Leadership.          | Social Identity Model of Leadership Effectiveness                         | Authentic, Transformational and Charismatic Leadership.   |
|                         | Affect               | Spiritual Leadership.<br>Leadership Complexity.  | Leadership Complexity.   |   | Social Identity Model of Leadership Effectiveness                         | Authentic, Transformational and Charismatic Leadership.   |

**Figure 2.7: Placing leadership within the two-dimensional framework**

(Source: Adapted from Hernandez et al, 2011)

As may be seen from Figure 2.7, Hernandez et al, (2011) grouped various leadership theories into five loci, which comprised the leader (consisting of theories positing that leadership arises from the leader), the follower (theories that focus on follower-perspectives that may enact leadership), the leader-follower dyad (comprising theories based on the unique relationship between leaders and followers from which leadership arise), the collective (containing theories of leadership due to the unified relationships within a group of individuals, such as work teams) and

lastly, the context, which recognises the influence of context, such as team members' social networks, cultures and organisational norms.

The four mechanisms of leadership are: Traits, Behaviours, Cognition and Affect. Trait and Behavioural theories had been described in sections 2.2.1 and 2.2.2. Cognition theories are aimed at the thought patterns and sense-making processes that may influence leaders' behaviours and decision-making. Affect theories encompass the emotional variables that should essentially be considered in leadership.

The concept of leadership has thus been explained from various perspectives that range from a leader-centric angle to a relational, group, or a follower-centric view (Hernandez, et al., 2011). When taking an integrated view of leadership into consideration, leadership may contribute to significant and positive actions in most organisations, and should be redefined in terms of processes and practices organised by people in interaction without focusing excessively on thoughts and actions of formal leaders (Crevani, et al., 2010). Leaders therefore exert a significant effect on individuals and groups that include teams, units and the organisation in its entirety (De Church, et al., 2010). The contemporary approach to leadership may offer insight into behaviour that transfers leadership-centric behaviour to more members, such as members of a team or group.

#### 2.5.9 Contemporary leadership theories

New concepts emerged that shifted the leadership role away from a single person to disperse it to more members. Rather than viewing leadership practice as a product of a leader's knowledge and skill, Spillane (2005) views the distributed perspective as the interactions between people and their situation. Distributed or shared leadership is an interactive process of influence between individuals with the purpose to lead one another in achieving collective goals. It may be defined as an emergent team dynamic that is a product of the distribution of leadership influence amongst team members provided that mutual influence is entrenched in the interactions and communications between the various team members (Carson,

Tesluk & Marrone, 2007). This influence process often involves peer influence (vertical) and at other times involves upward or downward hierarchical influence (Pearce, Manz & Smit, 2009). The definition of distributed leadership highlights three aspects, namely interaction, process and peer influence. In order to influence others, individuals ought to have concise insight into the complex nature of interpersonal affiliations.

A deficit may exist in this concept that relates to the complex nature of relationships and interactions amongst groups or teams, which is explained by Uhl-Bien, Marion and McKelvey (2007). They view complexity leadership as an interactive system of dynamic, unpredictable entities that interact with each other in complex feedback networks, which could then cause results such as knowledge dissemination, learning innovation, and further adaptation to change. The usage of complexity depicts a high level of engagement and dynamic interaction that is generated of emergence in and among Complex Adaptive Systems (CAS) (Uhl-Bien & Marion, 2009).

The literature referred to in this study indicates that distributed leadership is appropriate if two or more members share the leadership responsibility (vertically and hierarchically) and complexity leadership recognises the complex system of networks and/or relationships within which leadership may be enabled that may also allow members to adapt to changing circumstances. Both the abovementioned theories may be applied effectively within a team context, based on the nature and complexity of the relationships.

Team leadership is aimed at satisfying the needs of team members in order to enhance team effectiveness (Morgeson, DeRue & Karam, 2009). In reviewing leadership processes and structures within a team, team leadership may arise from four distinct sources inside and outside a team in order to satisfy team needs (Morgeson et al., 2009). Table 2.4 provides an overview of the various sources from which leadership exists or may arise.

**Table 2.3: Team leadership functions by leadership sources**

|                                | Formality of Leadership |          |          |          |
|--------------------------------|-------------------------|----------|----------|----------|
|                                | Informal                |          | Formal   |          |
|                                | Internal                | External | Internal | External |
| <b>Transition phase</b>        |                         |          |          |          |
| Compose team                   |                         |          | ++       | +++      |
| Define mission                 | ++                      | +++      | +++      | +++      |
| Establish expectations/goals   | ++                      |          | ++       | +++      |
| Structure and plan             | +++                     | +        | +++      | +        |
| Train and develop team         | +                       | +++      | ++       | ++       |
| Sense making                   | +                       | +++      | ++       | +++      |
| Provide feedback               | +++                     | +++      | +++      | +++      |
| <b>Action phase:</b>           |                         |          |          |          |
| Monitor team                   | ++                      |          | ++       | +++      |
| Manage team boundaries         | +                       | ++       | ++       | +++      |
| Challenge teams                |                         | +        | ++       | +++      |
| Perform team tasks             | +++                     |          | +++      | ++       |
| Solve problems                 | +++                     | +        | +++      | ++       |
| Provide resources              |                         | ++       | ++       | +++      |
| Encourage team self-management |                         |          | +        | +++      |
| Support social climate         | +++                     |          | +++      | ++       |

(Source: Morgeson et al, 2010)

*Note: Cell entries reflect the source of leadership best positioned to perform a particular team leadership function, ranging from “good” (+), to “better” (++) , to “best” (+++) positioned. Empty cells suggest that a particular source is not well-positioned to perform that leadership function.*

The leader may be internal (member of the team and part of the team’s task cycle) or external (not a team member, thus outside the team’s task cycle). The leader may be a formally assigned leader (formally part of the organisation) or informally assigned.

For the purpose of this study, the source of a formal leader who is an internal member of the organisation is referred to as a sales manager. Formal leader-subordinate structure may have different implications in terms of motivation and performance. A sales manager (line manager), is very often the mechanism required to inspire and motivate his/her followers (Legace, Castlebury & Ridnour, 2011) and leadership behaviour may encourage followers to enhance their commitment and satisfaction (Jing & Avery, 2008). There appears to be an overlap in the formal role of sales managers as a manager and his/her non-formal position as a leader in enhancing organisational performance, consequently a discussion of management and leadership is essential.

#### 2.5.10 Management and leadership

The relevance of management and its contribution to organisational performance in relation to leadership has not been established yet (Nienaber, 2010). However, it appears that both concepts play a significant role in the overall success of the organisation. Based on the existing body of literature, both the terms management and leadership refer to a hierarchical position demanding unique qualities of the person filling the particular position, whereby both terms are still being used interchangeably (Nienaber, 2010). Some scholars differentiate leadership from management, claiming that managers use coercive methods and seem short-sighted, whereas leaders persuade others and take a more strategic approach. However, the reality is that managers should lead, and leaders ought to manage (Allio, 2013).

The literature consulted for this study highlights the participative approach of strategic management that considers all levels of employees in ensuring strategic implementation success, which also includes sales managers and sales teams. Sales managers play a dual role as managers and leaders and exert a significant influence on sales teams who are the final recipients and implementers of the chosen strategy. Since a relationship exists between sales managers and sales teams, it may be stated that sales teams are relevant in the leadership phenomena.

Sales teams are referred to as the followers in this study and their position are described next.

#### 2.5.11 The role of followers in the leadership phenomena

Leadership is no longer merely described based on a leader's characteristic or uniqueness, but has evolved into a complex concept, whereby a follower is becoming a key player in the leadership dynamic (Avolio, Walumbwa & Weber, 2009). The term "followership" may be misplaced in the relationship between a leader and the follower whereby the leader is viewed as the active member and the follower remains an inactive respondent (Spisak, Nicholson & van Vugt, 2011). The power of the follower is increasing whilst the power of the leader is diminishing (Allio, 2013). In organisations, followers engage in research, develop and produce products, sell and promote the products, provide a service to customers and are ultimately responsible for implementing strategies. Allio (2013) views followers as potential leaders who should be developed as leaders by performing acts of leadership. Followers may be part of a team, reporting to a formal manager.

This study considers sales teams as followers who sell and promote products to ultimately ensure the successful implementation of strategy. In addition, contemporary leadership theories such as team leadership place leadership responsibilities on followers to enhance team effectiveness (Morgeson, et al., 2009). Sales team members often take the lead in making decisions that will benefit the team. As team members, followers may be described in the context of work teams.

#### 2.5.12 Work teams

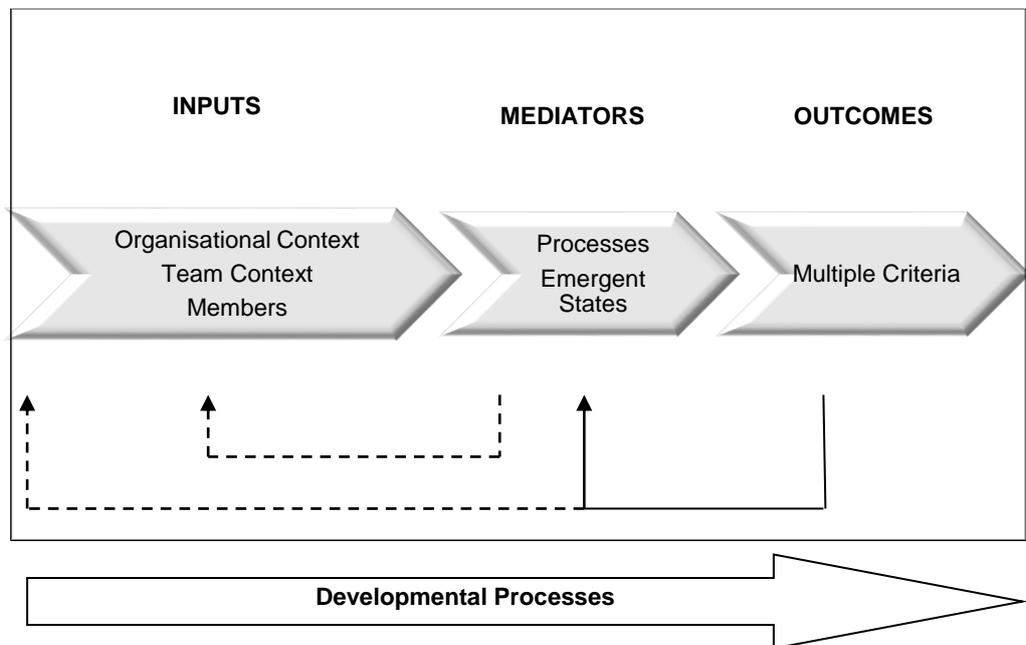
Work teams are types of teams, which are significant components in modern organisations. They provide a wide variety of skills and knowledge that offer organisations rapid and innovative solutions in order to enhance performance (Rico, de la Hera & Taberner, 2011). Work teams comprise two or more members who share common goals, perform key organisational tasks on behalf of the organisation,

interact socially, manage group boundaries and are part of an organisation that interacts with other units or teams within an organisation (Bells & Koslowski, 2010). In order to fully comprehend work teams, an overview of the Input-Process-Output (I-P-O) model is discussed next.

McGrath (1964) developed the Input-Process-Output (I-P-O) model to explain team structures, processes and important antecedents that enable team effectiveness. Inputs include individual characteristics, organisational and contextual factors and task structures required to enact the process. Processes explain how team members interact to fulfil a task. Process variables may be referred to as conflict, decision-making, communication, norm-setting and coordination to ensure smooth facilitation of the combined efforts. Outputs are defined in terms of performance, overall satisfaction, viability, turnover and adaptability. This model however falls short of several considerations related to team dynamics. It does not interpret the functioning of teams within a broader and complex adaptive system, nor does it consider the aspects of feedback that will enable continuous learning and development (Rico, et al., 2011), which is why, in a 2005 review, Ilgen, Hollenbeck, Johnson and Jundt (2005) proposed a revised model which they termed the Input-Mediator-Output-Input (IMOI) model. The IMOI model included mediators of team inputs on outcomes. Mediators (M) replaced processes (P) in the revised model to add functions after a team have been formulated that may contribute to team effectiveness. The rationale for adding mediators is due to the complex nature of teams, which also implies that unforeseen and emerging situations may arise. It also added a feedback loop whereby outputs such as team performance may serve as inputs to future team processes.

Although the IMOI model is designed to better understand team effectiveness at team level, this model also relates to the individual effectiveness of each team member. The IMOI model may be used to offer insight into the team dynamics as it relates to inputs and mediators such as leadership behaviour and outputs such as the subsequent impact on team performance.

The IMOI model is depicted in Figure 2.8 below:



**Figure 2.8: IMOI model of team effectiveness**

(Source: Mathieu, Maynard, Rapp & Gilson, 2008)

The solid line on the right-hand side of the above diagram represents the influence of outer layers (such as higher level factors) on the inner layers. In the case of this study, higher level factors may include the variables of the external environment of the pharmaceutical industry, such as the introduction of a National Health Insurance (NHI), which may have implications for the private health sector (McIntyre, 2010). The proposed NHI aims to address the challenges in the private healthcare sector in South Africa, which relates to the high expenditure in healthcare. The private healthcare sector, which includes the pharmaceutical industry, perceives the implementation of the NHI as reducing investment opportunities in South Africa (McIntyre, 2010). This may impact negatively on the pharmaceutical industry as organisations may yield a decrease in profitable revenue.

The dotted lines on the left depict that upward influences may be present. Sales people vary in their levels of maturity, skills and knowledge. It could be argued that, due to high levels of competencies, they may be in a position to lead upwardly or share in some of the leadership responsibilities.

The solid line running at the bottom indicates that learning occurs as teams develop. The individual sales team members in this study undergo continuous training and development. The members tend to transfer their skills and knowledge amongst each other to subsequently become strong teams. In addition, team members are likely to share in each other's' workload, which may have a positive impact on team performance (Ilgens, et al. 2005).

The feedback loops demonstrate the cyclical nature of the model and the solid line from outcomes to mediators indicates that the states of teams may change by their progress over time, whereby teams will adapt to varying processes as a function of the outcomes. The outcomes, in return, may initiate new processes such as inputs towards a new strategy.

## **2.6 CHAPTER CONCLUSION**

Chapter 2 provided a review of relevant literature that focuses on strategic management, the importance of successful implementation of strategies, the roles of the various levels of management in the process of strategy making and strategic alliances as a growth strategy. The concept of leadership was described with an overview of the prominent leadership theories and leadership models. The concept of followership was briefly discussed with greater emphasis on followers as work teams. This study assessed the leadership behaviour of sales managers who serve as a representation of the lower level of management. The leadership behaviour was assessed based on an integration of traditional and a contemporary type of leadership behaviour.

Chapter 3 addresses the concept of motivation, the various motivation theories and models, as well as an overview of literature expounding on the relationship between leadership and motivation.

### **3.1 INTRODUCTION**

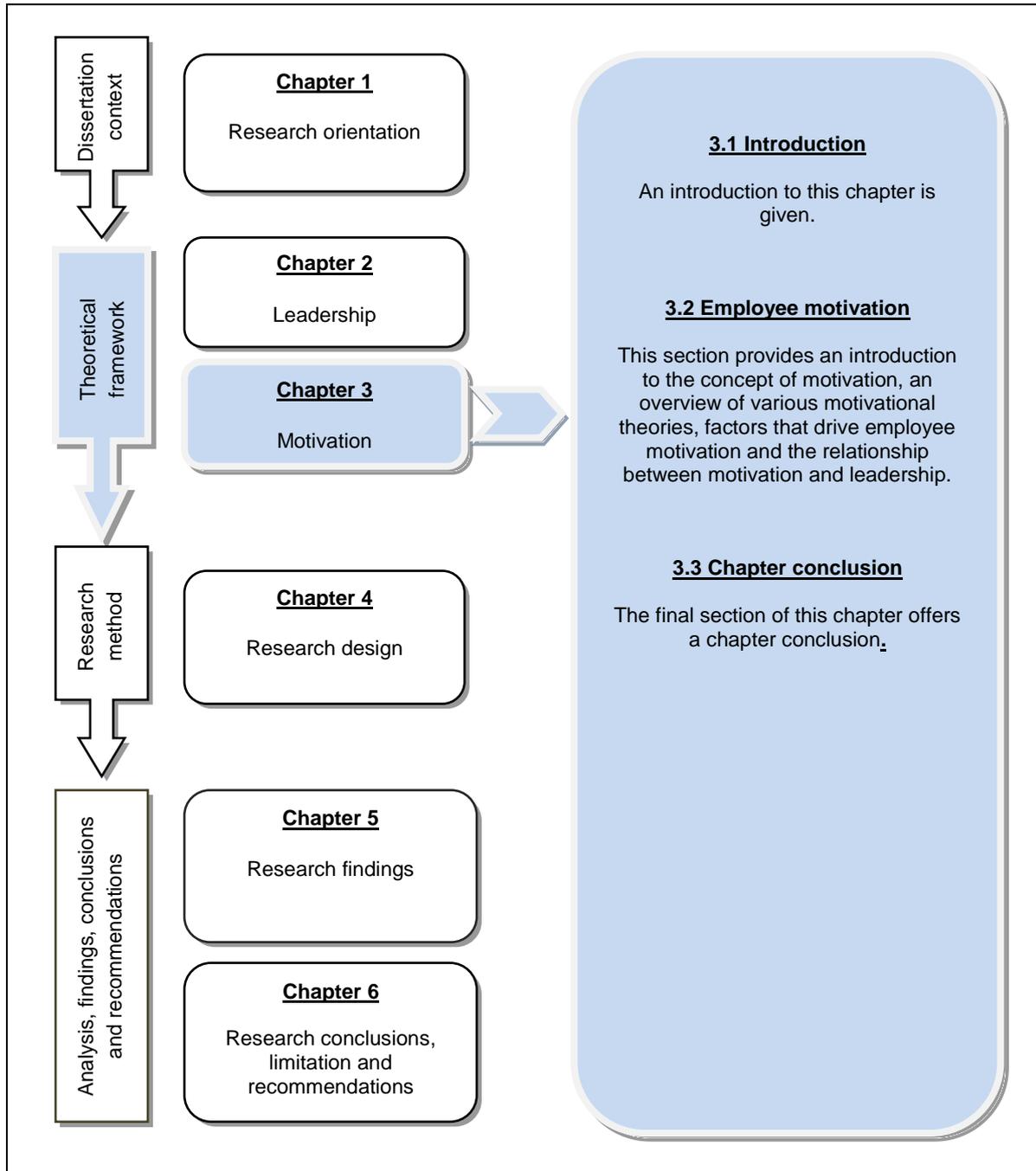
Chapter 2 provided a review of literature that focused on strategy and strategic management, the importance of successful implementation of strategies, the roles of the various levels of management in the implementation of strategy and strategic alliances as a growth strategy. The previous chapter also dealt with the concept of leadership, with an overview of the various leadership theories and models as well as the concept of followership, which was briefly discussed with greater emphasis on followers as work teams.

The first objective of this study is to review the concepts of leadership and motivation against previous literature that is required to motivate followers. Chapter 2 partly addressed objective 1 as it provided a literature review on leadership. The literature review conducted in Chapter 2 also provided the basis for obtaining objective 2. The second objective is to identify the leadership behaviour of sales managers. The third objective of this study is to measure the differences in perceptions of leadership behaviour. The fourth objective investigate to what extent a relationship exists between current leadership behaviour of sales managers and the motivation of sales teams based on perceptions of sales team members. Two constructs are examined in this study, namely leadership behaviour of sales managers and motivation of sales teams. This chapter presents a review of the literature on motivation. The purpose for conducting a literature review on motivation is to achieve objective 1 in full.

Firstly, motivation will be defined followed by an overview of the most commonly studied motivational theories. Subsequently relevant literature will be presented that focuses on the factors that motivate employees in general. The literature reviewed in this chapter pertains to the relationship between leadership and motivation and its consequential effect on organisational performance. However, it must be noted that a possible gap may exist in literature pertaining to the relationship between leadership behaviour of sales managers and the motivation of sales people in the pharmaceutical industry. Consequently this discussion will focus on general leadership behaviour and motivation of sales people. Motivation plays a major role in

organisational behaviour that affects organisational performance (Darolia, Kumari & Darolia, 2010).

A layout of the contents of Chapter 3 is illustrated in Figure 3.1 below:



**Figure 3.1: Diagrammatical layout of Chapter 3**

(Source: Author)

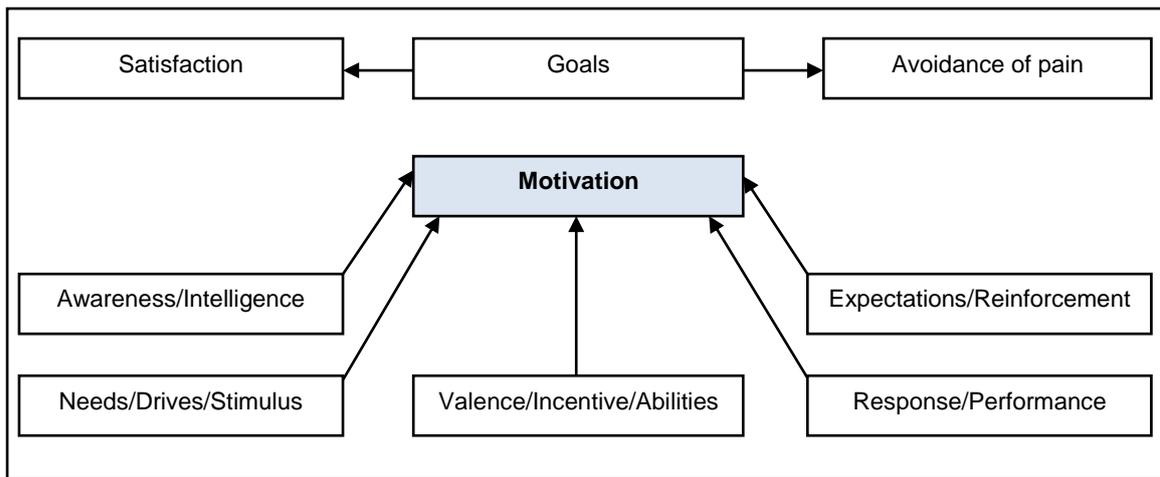
## **3.2 EMPLOYEE MOTIVATION**

As stated in Chapter 1, the successful implementation of new strategies is important for organisational performance. From an organisational perspective, the leadership roles exhibited by various levels of management may be a key driver in ensuring implementation success. The abilities of managers to motivate employees are of concern as employee motivation plays a pertinent role in the field of management, which is central to the performance of all members of the organisation. Motivation extends to many of the sub-disciplines of management, which include leadership, teams and performance management (Steers, et al., 2004). In order to position motivation in the organisational context, it is important to have a clear understanding of the meaning and definition of motivation.

### **3.2.1 Motivation defined**

Motivation is concerned with the factors that influence people to behave in a certain way. To be motivated allows individuals to be moved towards an end-result (Ryan & Deci, 2000). A broader definition of motivation is that it describes the internal and/or external elements that create, direct, and intensify human behaviour that persists in individuals to take action (Vallerand, 2004). Baumeister and Vohs (2007) refer to urges and impulses, which are inner, underlying forces that energise individuals to express their motivation and serves as an indication that individuals may respond in a certain manner based on a specific situation. Motivation as an intrinsic condition affects how humans direct their goals and activities in a meaningful way (Koiranen, 2008), while motivation may also be described as a concept that contains attitudinal and behavioural elements that create an inner desire toward a future goal (Hiller et al., 2011)

There appears to be several key constructs emanating from the various inputs towards defining motivation. Cole (2000) identified several elements of the definition for motivation. The elements are depicted in Figure 3.2 below:



**Figure 3.2: Key elements in the concept of motivation**

(Source: Adapted from Cole, 2000)

Figure 3.2 provides a basic overview of key elements in conceptualising motivation. When individuals experience a need or stimulus, they aim for appropriate goals or outcomes (Cole, 2000). The outcomes of the goals may cause satisfaction or it may avoid pain. These goals set by individuals largely depend upon the individual's level of awareness and ability to gather intelligence. The consequent response to the needs or stimulus depends upon the individual's abilities and incentives that may be produced as a result of the actual performance of the task. The final outcome will depend on the individual's expectations, personality type and the extent to which previous outcomes reinforces the expectations.

For the purpose of this study, motivation will be defined as an inner drive of sales teams that is aimed at achieving an end-result based on sales manager's leadership behaviour and situational factors associated with the implementation of strategic alliance, that prompt sales teams to take action that will provide a clear benefit.

An overview of the various motivational theories is described in the following sections.

### 3.2.2 Motivational theories

Several motivational theories exist that offer a greater understanding of factors that explain motivation. Table 3.1 below provides an overview of the various classical and contemporary motivational theories.

**Table 3.1: The development of motivational theories**

|                       | Motivational theorist | Motivational theory                                     |
|-----------------------|-----------------------|---|
| Classical theories    | Maslow (1943)         | Maslow's motivational theory of the hierarchy of needs. |
|                       | Herzberg (1959)       | Two-factor theory                                       |
|                       | McGregor (1960)       | Theory X and Theory Y                                   |
| Contemporary theories | McClelland (1961)     | McClelland's three needs theory                         |
|                       | Blau (1964)           | Equity theory   |
|                       | Vroom (1964)          | Expectancy theory                                       |
|                       | de Charms (1968)      | Cognitive evaluation theory                             |
|                       | Locke (1968)          | Goal-setting theory                                     |
|                       | Bandura (1997)        | Self-efficacy theory                                    |

(Source: Author)

Table 3.1 summarises the various motivational theories that have been developed since 1943, which produced three classical theories of motivation. The classical theories are the Hierarchy of needs theory, Theories X and Theory Y, as well as Herzberg's Two-factor theory (Robbins & Judge, 2007). The contemporary theories of motivation began to develop in the early 1960's. Several contemporary theories exist and include McClelland's theory of needs (1961), Equity theory (1964), Expectancy theory (1964), Cognitive evaluation theory (1968), Goal-setting theory (1968) and Self-efficacy theory (1997). These contemporary theories of motivation address the current perception of motivation (Robbins & Judge, 2007).

The above theories are explained briefly in the following section. The first theory that is presented is Maslow's (1943) theory of the hierarchy of needs.

- Maslow's motivational theory of the hierarchy of needs

Maslow (1943) states that a motivational drive is created when a need is developed. This motivational drive is aimed at satisfying a need. The theory of the hierarchy of needs postulates that individuals are motivated by unmet needs and that lower level needs should to be satisfied before higher level needs. Maslow (1943) separates the groups of needs into physiological, safety, love and belongingness, esteem and self-actualisation needs.

Physiological needs are the fundamental needs required for human survival, which include air, water and food. Safety and security needs offer stability and include factors such as job security. The need for love and belonging is an important affection experienced by human beings. Esteem needs may be separated into self-esteem, which arises due to the mastery of a task. Attention and recognition are esteem needs that may be imposed on individuals by other individuals. The highest level of needs is the need for self-actualisation, which is aimed at individual growth whereby individuals reach their potential at a measure resulting in individuals being at peace with themselves. Self-actualisation is achieved once all the previous levels of needs have been fulfilled (Maslow, 1987). Maslow's hierarchy of needs may not only apply to individuals, but may also offer insight into the needs of a team. With regard to the needs of the sales team members in this study, Maslow's hierarchy of needs relates to these team members as discussed below.

At a physiological or functional level, sales teams may be able to function collectively in order to yield anticipated sales results. The need to belong may be expressed in instances whereby sales teams plan and execute projects to ensure successful launches in a cohesive manner, thus enhancing team unity. Esteem needs may be satisfied when sales team members are recognised by peers and sales managers based on their skills, maturity level, experience and efficiencies. Finally, when sales teams become highly acclaimed and distinguished, the team may pursue tasks and

projects according to what it desires. At this stage, the sales team may have reached the level of self-actualisation.

- Two-factor theory

The seminal work of Herzberg, et al., (1959) stated that satisfaction and dissatisfaction were two separate entities created by opposing elements within a work situation. The two entities are referred to as “hygiene factors” and “motivators”. Hygiene factors are external or extrinsic factors related to job design and unmet hygiene factors may lead to employee dissatisfaction. Examples of hygiene factors include supervision, working conditions, company policies, salaries and relationships with co-workers. Motivators are intrinsic to the job itself, which include factors such as achievement, career and personal development, responsibility and recognition. The motivation theory developed by Douglas McGregor, another seminal author on motivation, is discussed next.

- Theory X and Theory Y

Douglas McGregor (1960) proposed that human beings adopt two viewpoints: one negative (Theory X) and one positive view (Theory Y). McGregor (1960) stated that, according to managers, the nature of human beings is dependent upon the compilation or grouping of assumptions that may mould their behaviour toward employees. The first contemporary theory of motivation that is discussed is the seminal work of David McClelland, which is referred to as McClelland’s three needs theory (1961).

- McClelland’s three needs theory

A theory of motivation which identifies three basic needs that may be experienced at varying levels was developed by McClelland (1961) (in Moberg and Leasher, 2011). The combination of the three needs offers insight into the personal drivers of each individual.

The first need is that of achievement. A person experiencing the need for achievement will be driven to excel and succeed in accomplishing work related tasks that offer challenging expectations. The achievement of the tasks is rewarding to individuals with a high need for achievement.

Affiliation is the second need where an individual is driven toward friendly interactions with other individuals and has a strong desire to be accepted with high regard by others. Such individuals are keen team players and work well in cohesion during work situations.

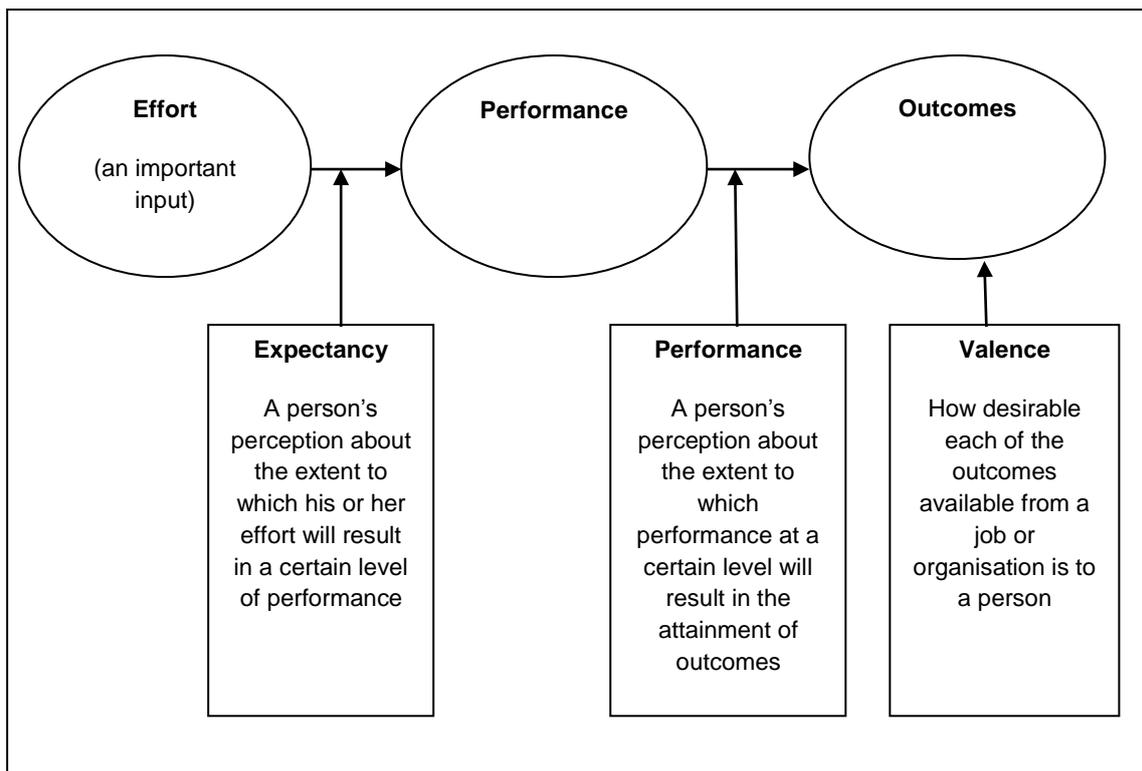
Finally, McClelland identified the third need, which is the need for power, whereby individuals are driven to influence others by enforcing his/her ideas and opinions, regardless of whether these ideas may be effective or not. Individuals with a high need for power aims to dictate the direction a team may take and persists in improving their personal status.

- The Equity theory

The equity theory was formulated in the 1960's by J. Stacy Adams (Jones & George, 2008) and the Equity theory is based on a social exchange between an individual and the environment that affects motivation and human behaviour (Blau, 1964). For example, political and religious groups, unions, and civil rights groups became active and fought for equity and fairness in the workplace. Therefore, the equity theory is based on fairness (Carrell, et al., 1997). According to the equity theory, managers can encourage high levels of motivation by ensuring equity and fairness in the workplace (Jones & George, 2008). Vroom's expectancy theory on the other hand focuses on an expectation that a certain result will be achieved (Vroom, 1964).

- Expectancy theory

Vroom (1964) states that a person's effort in any given situation depends upon the value attached to the outcome of the effort, and the perception that the desired result or outcome will be achieved. Vroom's expectancy model explains that people are motivated based on three factors, which are depicted in Figure 3.3 below.



**Figure 3.3: Expectancy, instrumentality, and valence**

(Source: Jones & George, 2008: 523)

According to the diagrammatic representation of Vroom's expectancy theory (see Figure 3.3), high levels of motivation are achieved from high levels of expectancy, instrumentality, and valence. Vroom's expectancy theory includes expectancy, which is the belief that a particular level of performance will be the result of a particular level of behaviour. The expectancy theory also includes instrumentality, which is the perception that this performance level will lead to the achievement of a job-related outcome. Valence is the final element of the expectancy theory, which is the degree

of attractiveness of rewards and outcomes. If any of the above factors are low, an individual's motivation levels may be low (Jones & George, 2008).

The rewards may be classified further into intrinsic rewards (based on intrinsic motives) and extrinsic rewards (based on extrinsic motives). Explicit motives arise from behaviour that is cognitively influenced, where managers link rewards to performance outcomes. Implicit motives stem from subliminal responses linked to actions such as providing challenges or encouraging followers to achieve (Lawrence & Jordan, 2009). Extrinsic rewards refer to an individual's engagement in activities to achieve a favourable outcome or to avoid a negative external outcome (Foss, Minbaeva, Pedersen & Reinholt, 2009). Examples include money, praise or avoiding punishment. Intrinsic motivation refers to an individual performing an activity or task because it is aligned to his/her personal values and interests. Foss, Minbaeva, Pedersen and Reinholt (2009) added a third element to this dynamic, namely introjection, which is the performance of a task that is socially acceptable so others view it as appropriate in moving them to take action. Another contemporary theory of motivation is the Cognitive evaluation theory, which is discussed next.

- Cognitive evaluation theory

The Cognitive evaluation theory introduces extrinsic rewards, which were previously cited as intrinsic rewards due to the benefits linked to the content of the work itself. Internal rewards become the basis by which individuals become intrinsically motivated (Deci, 1975). An individual's own perception of feeling competent and self-determining drives his/her intrinsic motivation. This includes rewards such as pay for work, which may decrease work motivation (de Charms, 1968). A discussion of the goal-setting theory follows.

- The goal-setting theory

Edwin Locke (1960) posited that an individual's intent to achieve a work-related goal is a key trigger of work motivation. The goal-setting theory is aimed at motivating employees to focus their inputs and efforts on their jobs and organisations (Jones

&George, 2008). The goals are key determinants of an individual's motivation and consequential performance. Managers could encourage motivation by ensuring that individuals strive to achieve specific goals, including complex goals (Jones & George, 2008). The self-efficacy theory is discussed next.

- Self-efficacy theory

Self-efficacy is an individual's belief in his/her capability to perform a given task (Bandura, 1997; Jones & George, 2008). The greater an individual's self-efficacy, the greater their confidence to complete a task successfully. As a result, the greater will be their motivation and performance.

Theories of motivation largely focus on motivating individuals by integrating individual needs (Ellemers, Haslam & de Gilder, 2008). Consequently, all expectations, goals and results relating to the work group are extrinsic to an individual. A greater understanding of motivation within groups may be obtained by suggesting that groups may possess core values and key concerns translating into a sense of community, belonging and sharing that serve as powerful motivators to the group. However, when individuals view their circumstances and situations in collective terms, group-based goals, expectations and results may serve as intrinsic factors of motivation. Resultantly, individuals may express and energise themselves on behalf of the group. In addition, individuals may ensure a collective direction of inputs and ensure team loyalty.

Another perspective on factors affecting employee motivation is provided by Govender and Parumasur (2010) who refers to the physical, psychological and social work environment. The social work environment is of particular importance to this study as it refers to the interpersonal relations an employee may exhibit towards his/her peers and immediate supervisors.

For the purpose of this study, all of the above theories may offer a sales manager greater understanding in distinguishing between employees who are explicitly motivated and those who are more implicitly motivated, whether he/she has a single subordinate or multiple subordinates. Based on the theoretical background of motivation, as well as recognising the diverse needs of individuals, it could be

argued that sales people are motivated at varying levels, within themselves as well as a collective forming part of a team. Sales managers must therefore realise the significance of motivation and how it creates a sense of ownership and drive amongst the sales people in an organisation. There are however, factors that drive employee motivation, which are discussed in the following section.

### 3.2.3 Factors driving employee motivation

In order to drive employee motivation, it is imperative to determine which factors or facets of work increase the motivation levels of employees. Wiley (1997) evaluated the outcomes of several surveys based on forty years of motivation surveys to determine which factors motivate employees. The surveys included industries such as the retail sector, the services sector, manufacturing, insurance, utilities, healthcare and government. The first survey was conducted in 1946. The following three surveys were conducted in 1980, 1986 and 1992 respectively. No further surveys have been conducted post 1992. The results of the surveys are presented in Table 3.2 below:

**Table 3.2: Job related factors that motivate employees**

| <b>Motivating factors</b>               | <b>1946</b> | <b>1980</b> | <b>1986</b> | <b>1992</b> |
|---|-------------|-------------|-------------|-------------|
| Full appreciation of work done          | 1           | 2           | 2           | 2           |
| Feeling of being in on things           | 2           | 3           | 3           | 9           |
| Sympathetic help with personal problems | 3           | 9           | 10          | 10          |
| Job security                            | 4           | 4           | 4           | 3           |
| Good wages                              | 5           | 5           | 5           | 1           |
| Interesting work                        | 6           | 1           | 1           | 5           |
| Promotion and growth in organisation    | 7           | 6           | 6           | 4           |
| Personal loyalty to employees           | 8           | 8           | 8           | 6           |
| Good working condition                  | 9           | 7           | 7           | 7           |
| Tactful discipline                      | 10          | 10          | 9           | 8           |

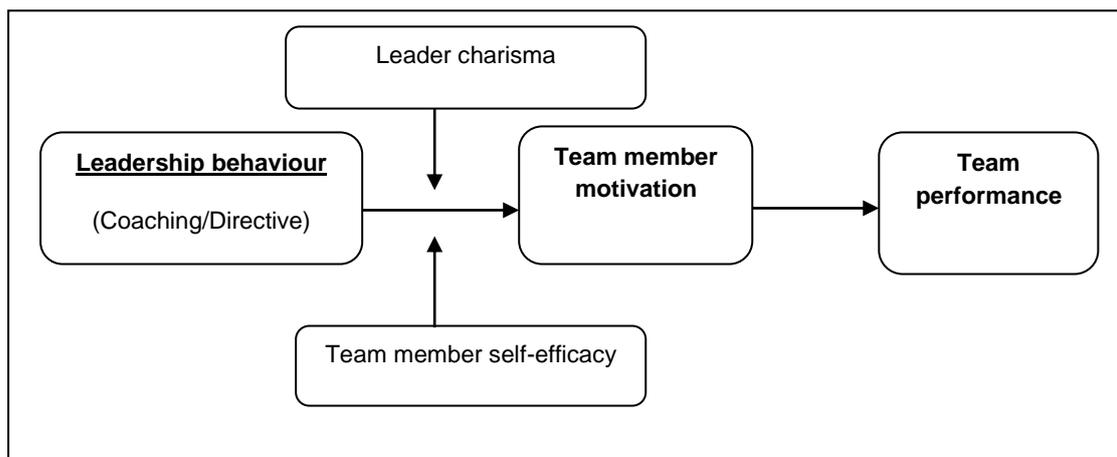
(Source: Adapted from Wiley, 2007)

Table 3.2 ranks the various motivating factors for each year it was surveyed. The first year of survey was in 1946. The motivation factors were ranked from 1 to 10. In 1946, full appreciation of work done was the number one motivational factor, whereas tactful discipline ranked the lowest. The rankings slightly fluctuated in the following years in which the survey was conducted. Overall, the top five factors were firstly good wages, secondly full appreciation for work done, thirdly job security, then promotion and growth in the organisation and finally, interesting work. The last survey was conducted in 1992 as presented in Table 3.2. However, Wiley (2007) states that job related factors fluctuate over time and may vary between subgroups. In addition, employees may attach varying motivational values on each factor depending on employment status, gender, income and occupation. In a more recent study aimed at examining the importance of selected rewards, several motivating factors emerged in improving sales effectiveness in the manufacturing industry in Nigeria (Nwude & Uduji, 2013). The major factors that contribute to sales persons' motivation include salary compensation, commission incentive, bonus payment, fringe benefits and recognition opportunities. The findings of Nwude and Uduji (2013)

closely resemble the top five motivators identified by Wiley (2007). Good wages or salary compensation were rated the number one motivating factor. Promotion opportunities and growth were mutually identified in both studies. Pharmaceutical sales people may have similar motivating factors as employees from other industries. In addition to the factors that motivate employees, an overview of the relationship between leadership and motivation is discussed next.

### 3.2.4 The relationship between leadership and motivation

Effective leadership may have a positive effect on subordinates' motivation levels. De Rue, Barnes and Morgeson (2010) conducted research with the aim of developing a motivationally based contingency model of team leadership. Figure 3.4 below demonstrates this framework.



**Figure 3.4: Contingencies in team leadership: A motivational perspective**

(Source: De Rue et al., 2010)

Figure 3.4 provides a diagrammatic framework that assesses how charisma and team member self-efficacy interact with two different approaches to leadership (Coaching and Directive leadership). It was found that when a leader's charisma was high, coaching leadership was more effective than directive leadership, and when

charisma was low, directive leadership was more effective than coaching leadership. The results demonstrate that leader's charisma and team member self-efficacy were positively related to team performance and offered preliminary evidence that a motivational pathway may be the mechanism that links leadership with team performance.

However, the participants in the above-mentioned study were undergraduate students with an average age of 21.8 years. It could be argued that students experience different drivers of motivation compared with active members of the economic workforce. The leader-follower ratio was 1:4. In field scenarios, teams may be substantially larger. The study also assessed charismatic leadership, which is viewed as a traditional, leader-centric leadership style, thereby not considering the quality, complexity, reciprocal and differential nature of the relationships and interactions between leaders and followers. Finally, the above study was based on a motivational pathway in a general sense without demarcating motivation into a specific basis, such as expectation, instrumentality or valence.

Research conducted with the aim of exploring the association between a sales manager (as leader) and sales people (followers) and the impact of this relationship on the salesperson's motivation separated the various dimensions of motivation into: Expectancy, intrinsic and extrinsic instrumentality, intrinsic and extrinsic valence (Legace, et al., 2011). The research included various industries, including the pharmaceutical industry. Looking at the leader-member-exchange which views leadership as a range of processes that differs in two-way cooperativeness from compulsory, written rule compliance (hired hand) to innovative exchange (cadre). In other words, hired hands have a poor relationship with the manager and cadres experience a good relationship. Based on the findings, cadres, for example, believe that good performance leads to extrinsic rewards, whereas hired hands are less likely to see the relationship between good performance and external rewards. As a result, hired hands may be less motivated and exert less effort to perform.

The above research considered the strengths between a leader and his/her followers, which affects the motivation levels of subordinates. It also evaluated the different dimensions of motivation. The inclusion of participants from various business-to-business organisations makes the study more representative. However,

it omitted female managers as one of the units of analysis. It could be argued that there's a steady growth of female managers in the workplace, including the pharmaceutical industry.

### 3.2.5 Guidelines for motivating employees

Taking the various factors that motivate sales people into account, Robbins, Odendaal and Roodt (2007) offers several guidelines for managers to enhance employee motivation. Firstly, it is suggested that managers recognise individual differences within employees, since employee needs vary. Managers should customise goals, levels of involvement and rewards specifically for each individual. Employee goals should be used as feedback. In addition, managers should involve employees in the decision-making processes that affect them directly. Decisions in setting goals and objectives, complex operational challenges, setting commission structures and solving quality problems are examples that may enhance employee productivity, work commitment and motivation.

Managers should also ensure employees perceive a strong link between performance and rewards. Finally, managers should check the system for equity, whereby rewards should be positively correlated with the efforts and inputs of employees.

According to Ratui, Purcarea, Popa, Purarea, Purcarea, Lupuleasa and Boda (2011), managers need to motivate and engage sales people. Effective leadership and an in-depth knowledge of each individual sales person will equip sales managers with the "know-how" of how to motivate sales people. In order to motivate sales people, sales managers should have an understanding of the relationship that exists between their leadership behaviour and the motivation levels of the sales team members. The next section evaluates the sales manager's role in motivation.

### 3.2.6 The sales manager's role in motivation

Jobber and Lee (1994) pointed out that it is the sales manager's responsibility to have an insight into the needs of subordinates and to customise the motivational plan in order to satisfy the needs of sales people. Amongst the roles and skills exhibited by sales managers, it is imperative that they recognise the importance of motivating the sales team members. It is part of a sales manager's duty to drive the motivation levels of subordinates in order to carry out the organisation's vision (Daft, 2005).

Sales managers therefore need to evaluate the level of motivation required, as well as the appropriate techniques of motivation that will allow the sales people to achieve organisational goals. In order to fully understand what drives sales team members, it is imperative to review the theories of motivation and how it may affect organisational performance. It remains, however, the sales manager's duty to investigate methods and guidelines to ensure a motivated sales team.

### **3.3 CHAPTER CONCLUSION**

This chapter focused on motivation from an organisational perspective. Motivation was defined and followed by an overview of the most commonly studied motivational theories and models. The literature consulted and presented in this chapter focused on the factors that motivate sales people in general. Chapter 3 also reviewed the relationship between leadership and motivation as well as its consequential effect on organisational performance.

Chapter 4 focuses on the research design of this study and an in-depth discussion of the research design is presented in Chapter 4.

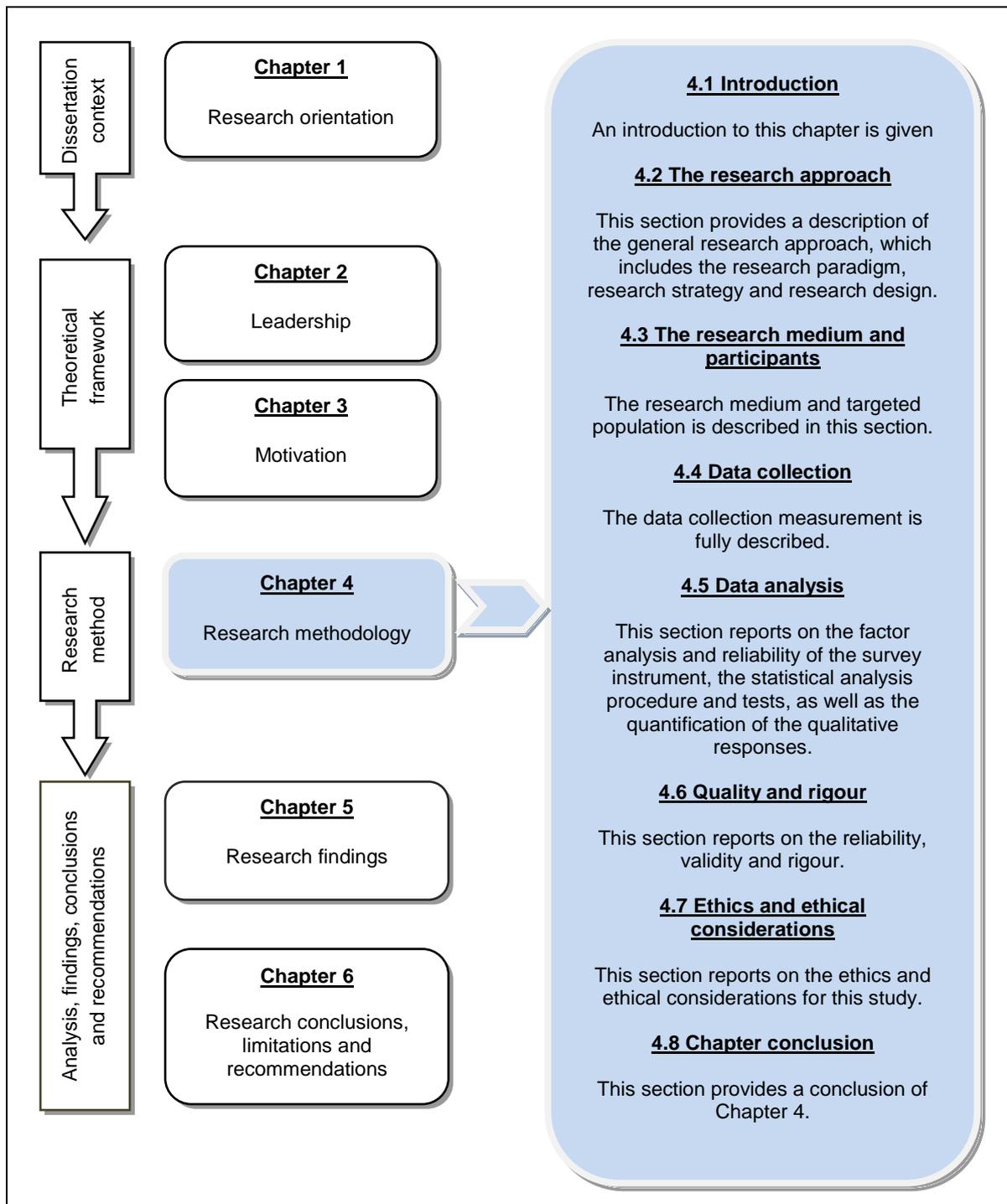
### **4.1 INTRODUCTION**

The purpose of this study was to investigate to what extent a relationship exists between leadership behaviour of sales managers and the motivation levels of sales teams during the implementation of strategic alliances within a pharmaceutical organisation in South Africa. Chapter 4 deals with the research design and methodology, which is aimed at achieving the purpose and objectives of this study.

Chapter 1 described the purpose and research orientation of this study. Chapters 2 and 3 provided a literature review to explain the theoretical context of this study with the aim of achieving the first objective. The first objective is to review the concepts of leadership and motivation against previous literature that is required to motivate followers. The second objective is to identify the leadership behaviour of sales managers. The third objective of this study is to measure the differences in perceptions of leadership behaviour. The fourth objective investigates to what extent a relationship exists between current leadership behaviour of sales managers and the motivation of sales teams based on perceptions of sales team members. The fifth and final objective explores which leadership behaviours relate to the motivation of sales teams to ensure successful implementation of strategic alliances.

Chapter 4 contains a description of the research approach, the population, the research philosophy and research strategy, as well as a discussion of the survey questionnaire. Ethical considerations are also discussed in this chapter.

Figure 4.1 illustrates the layout of Chapter 4.



**Figure 4.1: Diagrammatical layout of Chapter 4**

(Source: Author)

## **4.2 THE RESEARCH APPROACH**

The research design directs the approaches that will be used to solve a research problem (Rajasekar, Philominathan & Chinnathambi, 2014). To resolve the research problem, a systematic process should be taken to approach research.

Saunders, Lewis and Thornhill (2003; 2012) describe five important layers to approach research. The first layer makes reference to the research philosophy pertinent to the chosen research. The second layer considers the subject of the research approach, which is derived from the research philosophy. Thirdly, the research strategy is determined. Thereafter, time frames are attached to the research process and finally, the appropriate data collection methods are chosen. The first layer, which is the research philosophy and paradigm chosen for this study, are discussed in the section to follow.

### **4.2.1 The research philosophy and research paradigm**

The research philosophy is the first layer of the research approach for this study. The research philosophy is described as the development of the research background, knowledge and nature. It is also defined with the help of the research paradigm, framework consisting of a perspective which is based on values, beliefs, shared assumptions and the researcher's thought pattern in developing ideas (Saunders, Lewis & Thornhill, 2009).

A variety of philosophical perspectives exist and there are two perspectives that underpin this study and emanate from both positivism and interpretivism. The positivist philosophy posits the view that universal knowledge is derived from scientific methods, whereas, interpretivism considers, underlying background and subjective meaning (Erikson & Kovalainen, 2008).

Based on the positivist perspective, the intent of this study was to identify leadership behaviours using a scientific method to design a questionnaire. The focus was on facts or assessment of perceptions of sales teams. The results were used to identify

to what extent current leadership behaviours have a relationship with the motivation levels of sales teams.

The intention of this study, based on the interpretivist perspective, was to identify leadership behaviours that may relate to the motivation of sales teams. With new insights of leadership behaviour, leaders may have a better understanding of followers' perceptions. This may provide a base from which leadership behaviour could be adapted. The research strategy that was followed for this study is discussed next.

#### 4.2.2 The research strategy

The research strategy determined for this study is explained as the third layer. The research strategy is a general plan on how the research question will be addressed (Saunders, Lewis & Thornhill, 2012). The plan contains clear objectives, describes the sources from which data will be collected and explains the limitations that the researcher may face. The research plan also answers the research questions (Cooper & Schindler, 2006). Leedy and Ormrod (2010; 2013) refer to the general research strategy as the research design, which considers the sources of information related to the research problem and forms the foundation of the entire research project (Rajasekar, et al., 2014). The term research itself, may be referred to as a logical search for new information in order to find solutions to scientific and social problems (Rajasekar, et al., 2014).

Research methodology refers to the rationale and philosophical assumptions that inform natural, social or human science studies (McGregor & Murnane, 2010). The research methodology offers a relationship between the research problem and the methods chosen by the researcher to investigate and analyse the problem (Lee & Lings, 2008).

Research methods are all the techniques and procedures that will be utilised to carry out the research and form part of the research methodology (Kothari, 1985). Several research methods are used to conduct research and aids in the collection of data to find solutions to the research problem (Rajasekar, et al., 2014).

There are two methods which are mainly used to conduct research, namely, quantitative and qualitative research methods. The quantitative approach is based on post positive perspectives and uses inquiry strategies such as experiments and surveys to collect data from pre-determined instruments (Creswell, 2003). Quantitative research emphasises the measurement and analysis of relationships between or among variables (Benoit & Holbert, 2009).

In qualitative research, the researcher collects open-ended, new information that induces the development of themes (Creswell, 2003). Qualitative research focuses on processes and meaning that reflects socially constructed realities, the relationship between the researcher and what is being studied and the situational factors surrounding the research inquiry (Benoit & Holbert, 2009).

This study followed a mixed methods approach consisting of a quantitative study with a qualitative component. Mixed methods research includes both a quantitative and qualitative method, which requires extensive time and effort (Creswell, 2003).

The following section presents the research process of this study. Prior to explaining the research process adopted for this study, the quantitative research process is explained below.

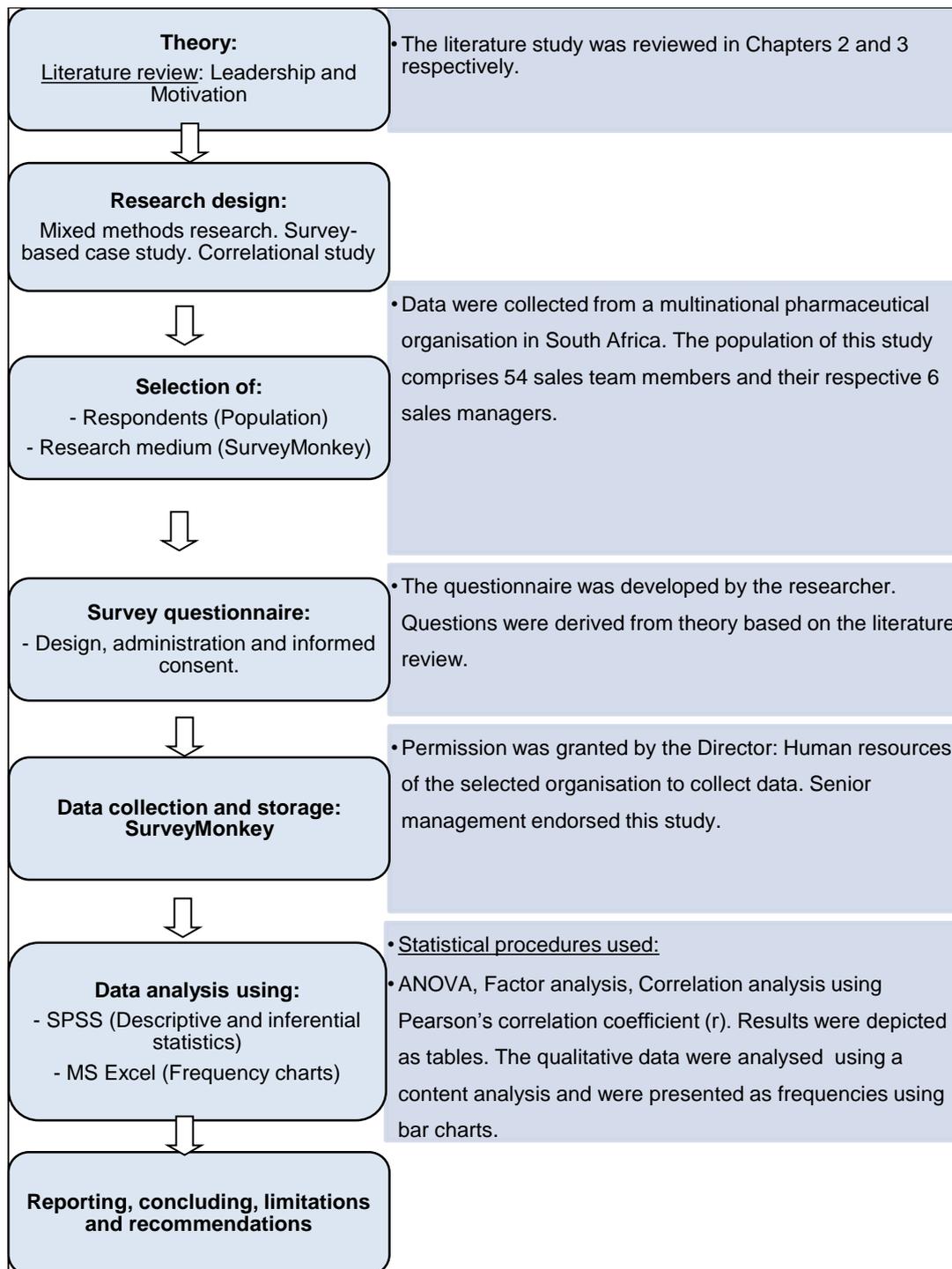
#### 4.2.3 The quantitative research process

As part of the research strategy and third layer of this research approach, a quantitative research process was largely taken for this study. The process of quantitative research is linear in nature, consisting of several steps. The first step reflects on the theory (Bryman, 2012). In quantitative research, the theory is largely based on the deductive approach. The deductive approach to research relates to scientific research, which includes the development of theory that undergoes rigorous testing (Saunders, Lewis & Thornhill, 2003; 2012). The theory functions as a mix of concerns relative to that which the researcher attempts to collect data (Bryman, 2012). The second step is more prominent in experimental research. This particular research does not state a hypothesis, but rather a research question. The third step entails the selection of an appropriate research design. Thereafter,

measures of the concepts are developed. The measures of concepts are pertinent to the researcher's interest since concepts are the building blocks of theory (Bryman, 2012).

During the fifth and sixth steps, the researcher selects an appropriate setting, as well as the targeted respondents. Thereafter, the measurement instrument is administered. The collected information is transformed into data. The researcher interprets the results for analysis to yield the findings thereof. Finally, the research is written up (Bryman, 2012).

Taking the above process into consideration, Figure 4.3 provides an overview of the actual research process that was undertaken for this study.



**Figure 4.2: The research process for this study**

(Source: Author)

Figure 4.2 illustrates the actual research process of this study. The theoretical background, which focused on leadership and motivation, was provided in Chapters 2 and 3 respectively. The problem that was investigated in this study reflected on the lack of knowledge about the leadership behaviour of sales managers and the extent to which sales teams are motivated during the implementation of strategic alliances, which served as the basis for following this particular research process. The chosen research design was a survey-based case study, which is quantitative in nature with a qualitative component. This approach was appropriate as it investigated to what extent leadership behaviour has a relationship with employee motivation. This approach also provided greater insight and perspective from a variety of respondents. This study was a correlational study, whereby a relationship is established between two constructs, namely leadership behaviour and motivation. The research design is fully described in section 4.2.2. The key leadership behaviour concepts that were identified for this study focus specifically on leadership behaviour and include team, directive, supportive and autocratic leadership behaviour. The quality and rigour of the measures of concepts were reported and are described in section 4.6. The targeted population in this study consisted of the only sales teams that are responsible for the specific strategy being measured. There are a total of 54 sales team members and 6 sales managers who are clustered into six sales teams. Section 4.3 provides a detailed description of the setting and targeted population. Thereafter, the measurement instrument was administered online using SurveyMonkey. Sections 4.4.1 and 4.4.2 provide a clear description of the measurement instrument. The collected information was stored in SurveyMonkey and later transformed into data, which were analysed using SPSS and MS excel. The findings of the analysis are reported in Chapter 5. The conclusions, limitations and recommendations are discussed in Chapter 6.

The fourth layer of research attaches timelines to the research process. The survey was electronically mailed to the respondents in April 2014. The data were collected by the end of May in 2014 and stored in SurveyMonkey for analysis. Data analysis commenced in June 2014 and was completed in October 2014.

## **4.3 THE RESEARCH MEDIUM AND PARTICIPANTS**

### **4.3.1 The research medium**

The research was conducted online using SurveyMonkey. The use of SurveyMonkey enhanced a high response rate, as it was a quick, easy and user-friendly tool which is widely used by the organisation under study. The members of the organisation being investigated were familiar with this tool since the organisation being investigated had conducted several surveys in the past using this tool. The respondents were able to complete the questionnaire at their own convenient location. SurveyMonkey enhances anonymity as it stores and numbers the collected surveys from each respondent as for example "Respondent 1", till the final number of respondents is reached. The target population for this study is considered next.

### **4.3.2 The target population**

To reiterate, as explained in Chapter 1, section 1.3.6, Sanofi consists of twenty-three sales teams in South Africa. Each sales team has its own product portfolio for which it carries responsibility of promoting and selling. Of the twenty-three sales teams, six sales teams are responsible for implementing strategic alliances. These sales teams form part of Zentiva, a division of Sanofi, and constitute a total number of 54 sales representatives and six sales managers. For the purpose of this study, the sales representatives are referred to as sales team members who constitute a number of 54 sales representatives who are structured into geographic sales teams.

The population in this study were the 54 sales representatives and their respective sales managers of the six sales teams identified, who are directly responsible for implementing strategic alliances. A population is simply every possible member of a set (Gott & Duggan, 2003), which is a large group to which generalisations are made (Black, 2002). The normal procedures for sampling were not followed as the respondents are the only sales people responsible for the implementation of strategic alliances. Consequently, all members of the six sales teams were involved

in the study. The population was demarcated into six sales teams with each team reporting to a separate sales manager. The sales teams vary in the number of sales people per team. Some teams consist of seven sales team members reporting to a single sales manager. Other teams consist of eleven sales team members reporting to their designated sales manager. The demarcation of the sales teams are depicted in Table 4.1 as follows:

**Table 4.1: Number of sales team members reporting to respective sales managers**

|                                     | Sales manager of Sales team A | Sales manager of Sales team B | Sales manager of Sales team C | Sales manager of Sales team D | Sales manager of Sales team E | Sales manager of Sales team F |
|-------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Number of sales team members</b> | <b>7</b>                      | <b>11</b>                     | <b>7</b>                      | <b>8</b>                      | <b>11</b>                     | <b>10</b>                     |

(Source: Author)

The structural demarcation of the sales teams is represented in Table 4.1. The sales teams are structured according to geographical area. In order to maintain anonymity, the geographic sales teams were given an alphabetic label from Sales team A to Sales team F. The sales manager for Sales team A has seven sales team members reporting to him/her, whereas the sales manager for the Sales team B is responsible for managing eleven sales team members. The rest of the sales structure was explained in Figure 1.3 in Chapter 1.

The number of sales team members is the direct recipients of leadership behaviour, which qualifies them as true sources of information on leadership behaviour of their respective sales managers. Both the sales team members and their respective sales managers were the respondents in this study. Having described the composition of the sales teams that made up the population, the data collection of this study is discussed below, which describes the fifth layer of the research approach.

## **4.4 DATA COLLECTION**

Data were collected from two groups of respondents, the sales team members and their respective sales managers. The measurement instrument was a structured quantitative questionnaire with the addition of a single qualitative question. The questionnaire was administered to both the sales teams and their respective sales managers. The questionnaires are attached as APPENDIX 1 (Questionnaire aimed at sales people) and APPENDIX 2 (Questionnaire aimed at sales managers) respectively.

### **4.4.1 The measurement instrument – Questionnaire**

A questionnaire collects data that is standardised and easy to compare. Questionnaires are also easily understood by respondents and it gives the researcher greater control over the research process (Saunders, Lewis & Thornhill, 2003).

### **4.4.2 Design of the Questionnaire**

The design of the questionnaire was aligned with the research objectives and consists of questions that were informed through the literature review.

The questionnaire comprised four sections, namely Section A, B, C and D. Section A consisted of biographical information of the respondents, relating to age, gender, years of pharmaceutical sales experience, tenure, geographic scope and racial group.

A six-point Likert scale was used to measure the responses to the questions posed in Sections B and C. A six-point Likert scale allows respondents to commit to either a positive perception or a negative perception and thereby avoiding a neutral answer. The points on the scale ranged from Strongly Disagree (1), to Disagree (2), to Slightly Disagree (3), to Slightly Agree (4), to Agree (5) to Strongly Agree (6). Respondents were required to select one option per question. Section D contained

an open-ended question. Sections B, C and D aimed to achieve the objectives of this study. Table 4.2 below presents the design of the questionnaire and how it links to the research objectives.

**Table 4.2: Alignment of objectives with the questionnaire**

| <b>Objectives</b>  | <b>Section in questionnaire</b> | <b>Question type</b>   |
|--|---------------------------------|------------------------|
| <i>Objective 1:</i><br>Literature review   | Not measured in questionnaire   |                        |
| <i>Objective 2:</i><br>To identify the leadership behaviour of sales managers  | Section B                       | Likert scale questions |
| <i>Objective 3:</i><br>To measure the differences in perceptions of leadership behaviour   | Section B                       | Likert scale questions |
| <i>Objective 4:</i><br>Investigate to what extent a relationship exists between leadership behaviour of sales managers and sales team motivation based on perceptions of sales teams | Section B and C                 | Likert scale questions |
| <i>Objective 5:</i><br>Determine which leadership behaviours may be required to motivate sales teams during the implementation of strategic alliances                                | Section D                       | Open-ended question    |

(Source: Author)

Table 4.2 provides a demarcation of the questionnaire into the four sections, its alignment with the research objectives and the type of questions. Section B is directly linked to the second objective, which contains questions that identify the leadership behaviour of sales managers based on the perceptions of their sales team members, as well as their own perceptions of their leadership behaviour. The responses in Section B were also used to measure differences in perceptions of leadership behaviour, which is the third objective of this study. These differences were measured between the six sales teams, as well as between the six sales teams and their respective sales managers.

Sections B and C are aligned to the fourth objective and consisted of questions relating to sales teams' perceptions of their manager's leadership behaviour and their motivation levels respectively. The sales manager's perceptions of themselves

were also measured accordingly. Section C consisted of questions based on motivation factors to establish the extent to which a correlation exists between leadership behaviour and motivation. The questions in Section C mirrored the questions in Section B, but were phrased differently to measure the associated motivation linked to the leadership behaviour question posed in Section B.

The contingency leadership theories discussed in the literature review, as well as literature pertaining to team leadership were consulted to formulate the questions for the collection of data in Section B of the questionnaire. The inclusion of team leadership behaviour provides a unique fit with the sales structure because sales people are clustered into work teams. The contingency leadership theories include Tannenbaum and Schmidt's contingency theory (1958), Vroom and Yetton's theory (1973), as well as Hersey and Blanchard's situational leadership theory (1969). The SLM has been widely studied and published in many international journals and is currently being used by seventy percent of Fortune 500 companies ([www.situational.com/about-us/situational-leadership.htm](http://www.situational.com/about-us/situational-leadership.htm)). This model highlights three aspects of leadership behaviour, namely leadership style, style range and style adaptability (Hersey & Blanchard, 1977). The aspects of directive and supportive leadership behaviour were highlighted for this study. The concepts of this model were considered for this study as it is based on the fact that teams consist of diverse individuals with varying levels of maturity, abilities, knowledge, skills and motivation and that it is applied within a specific situation or context. The situation in this case is the leadership behaviour of sales managers and the extent to which it relates to motivation of sales teams during the implementation of strategic alliance strategies.

Section D contains an open-ended question relating to which leadership behaviour the sales team members and sales managers perceive, will enhance the motivation levels of sales teams. The purpose of the open-ended question was to identify significant themes, which may enhance the width of meaningful information that may offer new or different perspectives of leadership behaviour. Such perspectives may induce sales managers to adapt or change their behaviour towards enhancing motivation levels of their subordinates.

In summary, the questionnaire aimed to measure the perceptions of sales teams towards two constructs, namely their managers' leadership behaviours and their own level of motivation, as well as their views on which leadership behaviour may increase their motivation levels during the implementation of strategic alliance strategies. The questionnaire was also administered to the sales managers, who measured their own perceptions of their leadership behaviour.

A document requiring informed consent as well as an invitation to participate in this study was sent to all prospective respondents concomitantly with the survey questionnaire. The document outlined the purpose of the study, instructions and deadline for submission, as well as the reassurance of confidentiality. The questionnaire was sent electronically to the sales teams and sales managers. Followed by the administration, collection and storage of data, the data were prepared for analysis. The stored data were solely used and prepared for analysis by the researcher and the statistician to ensure confidentiality of responses.

#### **4.5 DATA ANALYSIS**

Preceding the analysis of the data, data cleaning was undertaken, which is an exercise that identifies and eliminates possible errors that may occur. Errors may occur due to missing information, duplication of taking the survey or choosing more than one option on the Likert scale. The use of SurveyMonkey avoided such errors as it offers an immediate automated response should the respondent have made an erroneous entry or omitted an answer. Each completed questionnaire was checked for suspicious and unlikely answers. This may have been corrected by respondents as they may have reversed the rating scales. Upon entering the responses onto SPSS, inconsistencies and outliers were identified by producing frequency tables for each question.

Data analysis, which is the process of editing and reducing gathered data into a manageable size in order to provide summaries and patterns using statistical measures and techniques commenced (Cooper & Schindler, 2006). The quantitative

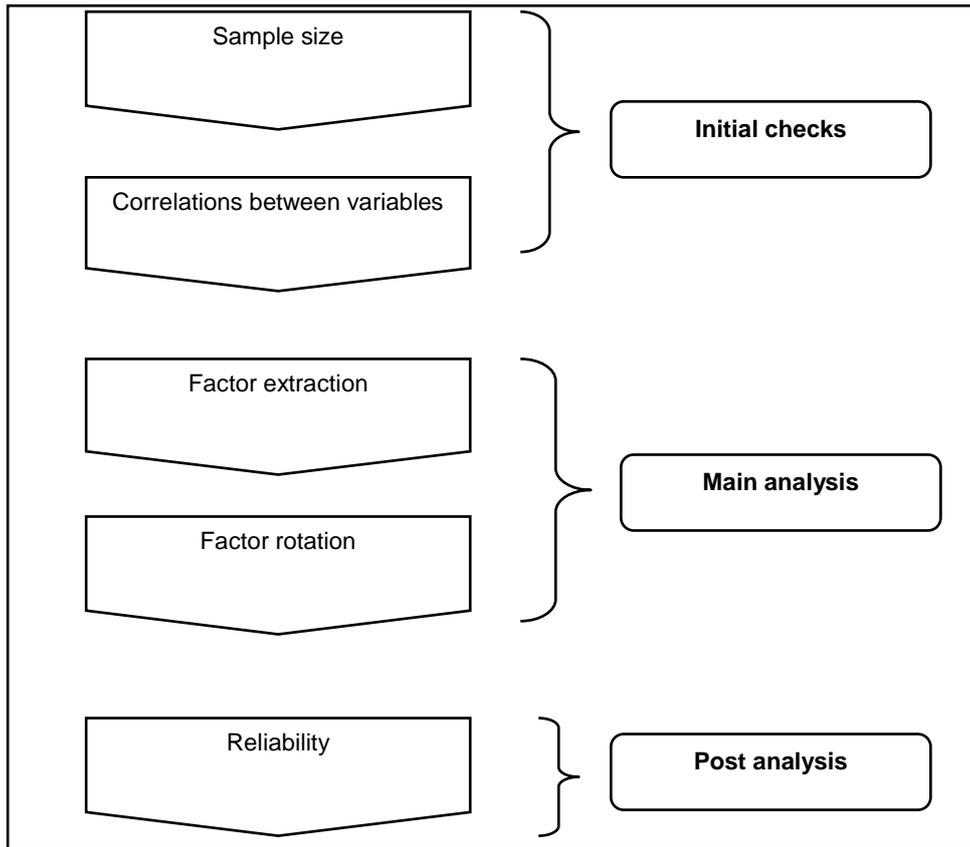
data gathered from Sections B and C were analysed using both inferential and descriptive statistics.

#### 4.5.1 Inferential statistics

Inferential statistics are used to make inferences to general situations and conditions (Trochim, 2000) and compares the average outcomes between groups in order to establish whether a difference exists between the two groups. The inferential statistical procedures that were used for this study was a factor analysis and the Analysis of Variance (ANOVA).

##### 4.5.1.1 Factor analysis

Factor analysis suggests that the correlations between a set of observed variables arise from the relationship of these variables to a small number of underlying variables (Everitt & Skrondal, 2011). Factor analysis determines whether groups of indicators or variables form a distinct cluster (Bryman, 2012). One of the uses of a factor analysis is to minimise a data set to a more manageable size while maintaining as much of the original information as possible (Field, 2013). A general procedure for running a factor analysis is depicted in Figure 4.3 as follows:



**Figure 4.3: General procedure for factor analysis**

(Source: Adapted from Field, 2013:684)

Figure 4.3 illustrates the procedure for factor analysis, which includes an initial check, a main analysis and a post analysis. The first steps are to establish the sample size and to ascertain whether correlations exist between the variables being tested. Field (2013) suggests the Kaiser-Meyer-Olkin measure of sampling adequacy (KMO) to measure the adequacy of the selected sample. A KMO statistic contains a value that ranges between 0 and 1. A value of 0 means that the total partial correlations between variables are large in relation to the total correlations, resulting in diffusion in the pattern of correlations (Field, 2013). A value close to 1 show that correlation between variables is more compact, rendering a reliable factor analysis. Values equal to and higher than 0.5 are viewed as acceptable in proceeding with a factor analysis (Kaiser, 1974). In order to assess whether a correlation exist between variables, the Bartlett's test of sphericity may be applied. Bartlett's test of sphericity indicates whether a correlation matrix significantly differs from an identity matrix. The

overall correlation between variables should be significantly different from zero (Field, 2013). In the main analysis, a factor extraction is conducted. A principal component analysis (PCA) is the most commonly used extraction technique (Boslaugh, 2013). A PCA transforms the original variables into new components that are not correlated (orthogonal) with each other (Everitt & Skrondal, 2011). During a PCA, a set of eigenvalues are produced to determine the correct number of factors or components. Kaiser's rule may be applied for selecting the correct number of components. The rule states that components with eigenvalues greater than 1 should be retained (Everitt & Skrondal, 2011). Following a factor extraction, a factor rotation is conducted. During factor rotation, the original factors or components are transformed to allow for easier interpretation (Everitt & Skrondal, 2011). A Varimax rotation is a method for factor rotation that aims to find a simple set of orthogonal factors (Everitt & Skrondal, 2011).

The variables in this study were clustered together to form several leadership behaviours and the associated motivation of the sales teams. The various statistics that were conducted for a factor analysis in this study are displayed in Table 4.5 presenting the KMO and Bartlett's test of sphericity, eigenvalues and total variance explained, a component matrix and a rotated component matrix. The findings of the factor analysis are presented in the next section.

#### 4.5.1.2 Results of the factor analysis

The survey instrument was developed by the researcher and is based on the theory derived from the literature review. Section B of the survey questionnaire aimed to identify the leadership behaviour of sales managers. The 28 questions in Section B were separated into 3 themes. The questions for theme 1 relates to how the sales manager makes allowance for the sales team to work in a cohesive manner that will ultimately benefit the team. Theme 2 relates to a sales manager's leadership behaviour that offers support to the sales teams and theme 3 contains questions relating to the sales manager's ability to direct the sales teams towards achieving their objectives. Section C aimed to determine to what extent a relationship exists between the leadership behaviour of the sales managers and the motivation of sales people. The 28 correlated questions in Section C are also separated into the

corresponding 3 themes to measure the extent to which a relationship exists between leadership behaviour and motivation of the sales teams. The factor analysis for this study aimed to explore the factors or components that are examined by the literature in relation to the three themes.

In order to explore the factorability of the questionnaire, a Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett’s test of sphericity was conducted.

i) Kaiser-Meyer-Olkin (KMO) measure and Bartlett’s test

The result of the KMO measure and Bartlett’s test for each theme is illustrated in Table 4.3 below:

**Table 4.3: KMO and Bartlett’s test for each theme**

| SECTION B<br>(Leadership behaviour) |       |                 | SECTION C<br>(Motivation) |       |                 |
|-------------------------------------|-------|-----------------|---------------------------|-------|-----------------|
| Theme                               | KMO   | Bartlett’s test | Theme                     | KMO   | Bartlett’s test |
| Theme 1                             | 0.885 | 0.000           | Theme 1                   | 0.822 | 0.000           |
| Theme 2                             | 0.831 | 0.000           | Theme 2                   | 0.793 | 0.000           |
| Theme 3                             | 0.872 | 0.000           | Theme 3                   | 0.839 | 0.000           |

Table 4.3 shows the KMO measure of sampling adequacy and Bartlett’s test of sphericity for each theme on the questionnaire. An examination of the KMO measure of sampling adequacy suggests that the population is factorable since KMO is larger than 0,7 for all themes. Bartlett’s test of sphericity is highly significant for all themes with a p-value of 0.000. Hence, factor analysis was appropriate and was conducted with the response data received from the sales teams. A factor analysis was not conducted on the survey questionnaire administered to the sales managers. There were only 6 sales managers, consequently a factor analysis was inappropriate. However, the same question items appear on the survey questionnaire administered to the sales teams.

The results of the factor analysis for each theme are presented in the following sections.

### ii) Factor analysis for Theme 1

A principal component analysis with a Varimax (orthogonal) rotation of the 11 Likert scale questions (Q1 – Q11) from theme 1 of Section B of the questionnaire was conducted on data gathered from the 51 respondents. Using the Kaiser Criterion, a single factor solution is presented, which explains 67.018% of the variance. All eleven items loaded onto factor 1. (See total variance explained and the component matrix for theme 1 in APPENDIX 4). It is clear that these eleven items all relate to team leadership.

### iii) Factor analysis for motivation correlated to Theme 1

A principal component analysis with a Varimax (orthogonal) rotation of the 11 Likert scale questions (Q29 – Q39) from theme 1 of Section C of the questionnaire was performed on data gathered from the 51 respondents.

Two factors explained 65.871% of the variance and the results of the component matrix yielded 2 factors. The component matrix shows the loadings of the 11 items on the two factors and supports a two-factor solution. Six items loaded strongly on the one factor, whereas five items loaded strongly on the second factor. In order to obtain a more interpretable solution, the factor rotated solution was presented. The items that cluster on the same factors suggest that one of the factors relate to intrinsic motivation (Q34, Q35, Q36, Q37, Q38) and the other factor implies extrinsic motivation (Q29, Q30, Q31, Q33, Q39). Question 32 shows a double-loading and will therefore be excluded from the data analysis. Since Question 32 is aligned with question 4, question 4 was excluded from the data analysis. (Refer to total variance explained, the component matrix table and the rotated component matrix tables for motivation: theme 1, which is attached as APPENDIX 5)

#### iv) Factor analysis for Theme 2

A principal component analysis with a Varimax (orthogonal) rotation of the 11 Likert scale questions (Q12 – Q18) from theme 2 of Section B of the questionnaire was conducted on data gathered from the 51 respondents. The analysis yielded a single factor solution with a simple structure, whereby all items loaded on one component at 73,5% of the variance. All items cluster together to represent supportive leadership (Refer to total variance explained and component matrix tables for theme 2 attached as APPENDIX 6).

#### v) Factor analysis for motivation correlated with Theme 2

A principal component analysis with a Varimax (orthogonal) rotation of the 7 Likert scale questions (Q40 – Q46) from theme 2 Section B of the questionnaire was conducted on data gathered from the 51 respondents. Using the Kaiser Criterion, a single factor solution is presented, which explains 62.968% of the variance. All items loaded on one component and relates to supportive leadership behaviour. (See total variance explained and component matrix for motivation: theme 2, attached as an APPENDIX 7).

#### vi) Factor analysis for Theme 3

A principal component analysis with a Varimax (orthogonal) rotation of the 10 Likert scale questions (Q19 – Q28) from theme 3 of Section B of the questionnaire was conducted on data gathered from the 51 respondents. Using the Kaiser Criterion, a single factor solution is presented, which explains 67.209% of the variance. The analysis yielded a two-factor solution. Six items (Q19, Q20, Q22, Q23, Q24 and Q27) loaded strongly on the one factor, whereas four items (Q21, Q25, Q26 and Q28) loaded strongly on the second factor. In order to obtain a more interpretable solution, the factor rotated solution was conducted. It may be concluded that the two leadership behaviours identified are directive leadership and autocratic leadership. Question 28 showed a double-loading and will therefore be excluded from the analysis. As a result, the corresponding question that relates to motivation, which is

Q56, will also be excluded from the analysis. (Refer to total variance explained, component matrix and rotated component matrix tables for theme 3 attached as APPENDIX 8)

#### vii) Factor analysis for motivation correlated with Theme 3

A principal component analysis with a Varimax (orthogonal) rotation of the 10 Likert scale questions (Q47 – Q56) from theme 3 of Section C of the questionnaire was conducted on data gathered from the 51 respondents. Using the Kaiser Criterion, a two factor solution is presented, which explains 65.319% of the variance. The analysis shows loadings of the 10 items on the two factors and supports a two-factor solution. Six items loaded strongly on the one factor, whereas four items loaded strongly on the second factor. In order to obtain a more interpretable solution, the factor rotated solution was conducted. The two factors that loaded onto the rotated factor solution matrix distinguish between two types of motivation. The one factor relates to motivation associated with directive leadership and the other factor associates with autocratic leadership. (Refer to total variance explained, component matrix and rotated factor solution matrix tables for motivation: theme 3, attached as APPENDIX 9).

#### 4.4.1.3 Summarising the factors

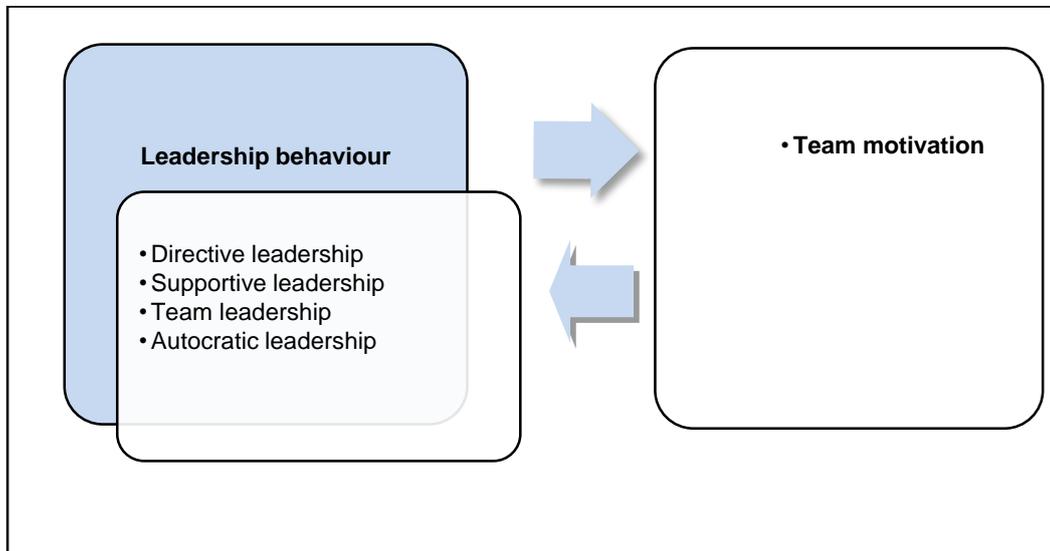
The findings of the factor analysis yielded four factors on Section B and five factors on Section C. Of the 56 questions on the questionnaire, four questions were removed as a result of double-loading. Table 4.4 provides a layout of the questions within each factor.

**Table 4.4: Identified factors and associated questions**

| Leadership behaviour (SECTION B)          | Motivation (SECTION C)   | Question numbers                | No. of items |
|---|--|---------------------------------|--------------|
| <b>Factor 1:</b><br>Team leadership       |  | Q1,Q2,Q3,Q5,Q6,Q7,Q8,Q9,Q10,Q11 | 10           |
|   | <b>Factor 5:</b><br>Extrinsic motivation correlated with team leadership | Q29, Q30, Q31, Q33, Q39         | 5            |
|   | <b>Factor 6:</b><br>Intrinsic motivation correlated with team leadership | Q34, Q35, Q36, Q37, Q38.        | 5            |
| <b>Factor 2:</b><br>Supportive leadership |  | Q12,Q13,Q14,Q15,Q16,Q17,Q18.    | 7            |
|   | <b>Factor 7:</b><br>Motivation correlated with supportive leadership     | Q40,Q41,Q42,Q43,Q44,Q45,Q46.    | 7            |
| <b>Factor 3:</b><br>Autocratic leadership |  | Q21,Q25,Q26                     | 3            |
|   | <b>Factor 8:</b><br>Motivation correlated with autocratic leadership     | Q49,Q53,Q54                     | 3            |
| <b>Factor 4:</b><br>Directive leadership  |  | Q19,Q20,Q22,Q23,Q24,Q27         | 6            |
|   | <b>Factor 9:</b><br>Motivation correlated with directive leadership      | Q47,Q48,Q50,Q51,Q52,Q55         | 6            |

Table 4.4 highlights the nine factors identified through the factor analysis of the questionnaire. Section B demarcated four leadership behaviours, which reveals the first four factors. Five factors were identified in Section C, which are the motivation factors associated with the four leadership behaviour factors. For team leadership, two types of motivational factors were identified, namely extrinsic- and intrinsic motivation. The questions for each factor are also depicted in the above table.

Upon completing the factor analysis, and concluding on the key theoretical constructs of this study, the theoretical framework of this study may be introduced in Figure 4.4 as follows:



**Figure 4.4: Theoretical framework of this study**

(Source: Author)

Figure 4.4 depicts the four key constructs of this study, which are directive leadership, supportive leadership, team leadership and autocratic leadership. The extent to which the four leadership behaviours have a relationship with the motivation of sales teams was investigated. Additional motivating factors were also identified.

The next step was to conduct a reliability test of the questionnaire. The results of the reliability test are presented in the following section.

#### 4.5.1.4 Reliability of the questionnaire

Cronbach alpha was used to test the internal reliability of the questionnaire. Cronbach alpha is a test that calculates the average of all possible split-half reliability coefficients (Bryman, 2012). The alpha coefficient varies between 1 (meaning perfect internal reliability) and 0 (meaning no internal reliability). George and Mallery (2003:231) established a rule of thumb that assists in interpreting the

reliability coefficients. A value for Crohnbach alpha greater than 0,9 indicates excellent internal consistency, whereas a value greater than 0,8 is regarded as good. A value above 0,7 indicate an acceptable level of internal consistency. The results of the reliability test of the instrument are presented in Table 4.5 below.

**Table 4.5: Reliability of the questionnaire**

| <b>Leadership behaviour (SECTION B)</b> | <b>Motivation (SECTION C)</b>                        | <b>Question numbers</b>         | <b>Crohnbach alpha</b> | <b>No. of items</b> |
|---|--|---------------------------------|------------------------|---------------------|
| Team leadership                         |  | Q1,Q2,Q3,Q5,Q6,Q7,Q8,Q9,Q10,Q11 | 0,939                  | 10                  |
|   | Extrinsic motivation correlated with team leadership | Q29, Q30, Q31, Q33, Q39         | 0,896                  | 5                   |
|   | Intrinsic motivation correlated with team leadership | Q34, Q35, Q36, Q37, Q38.        | 0,794                  | 5                   |
| Supportive leadership                   |  | Q12,Q13,Q14,Q15,Q16,Q17,Q18.    | 0,937                  | 7                   |
|   | Motivation correlated with supportive leadership     | Q40,Q41,Q42,Q43,Q44,Q45,Q46.    | 0,899                  | 7                   |
| Autocratic leadership                   |  | Q21,Q25,Q26                     | 0,798                  | 3                   |
|   | Motivation correlated with autocratic leadership     | Q49,Q53,Q54                     | 0,869                  | 3                   |
| Directive leadership                    |  | Q19,Q20,Q22,Q23,Q24,Q27         | 0,914                  | 6                   |
|   | Motivation correlated with directive leadership      | Q47,Q48,Q50,Q51,Q52,Q55         | 0,863                  | 6                   |
| <b>Overall</b>                          |  |                                 | <b>0,939</b>           | <b>52</b>           |

Table 4.5 indicates that all alpha coefficients are high and above 0,7, confirming the acceptable to excellent internal consistency of the surveyed constructs. The alpha coefficient of the entire instrument is 0,939, yielding an excellent overall level of internal consistency. The questions within each construct were the basis for

analysing the leadership behaviour of sales managers and its relationship with the motivation levels of sales teams.

After conducting a factor analysis and the reliability test, the data was further analysed by means of an Analysis of variance (ANOVA).

#### 4.5.1.2 Analysis of Variance (ANOVA)

An ANOVA identifies differences between two or more means, both within and between groups (Leedy & Ormrod, 2010; 2012). A one-way ANOVA is used when one variable is compared to various groups (Boslaugh, 2013). The ANOVA table is presented in the study findings section (Chapter 5) and presents the variation (sum of squares), degree of freedom (df) and variance (mean square) between and within groups. The variation (sum of squares) is the sum of the squared deviation scores for between groups, within groups, and the total, whereas the mean square (MS) is the sum of squares divided by the degrees of freedom (Boslaugh, 2013:209). The degrees of freedom (df) refers to how many things could vary when computing each part of the statistics. The between group variance refers to the variation in individual scores. Within group variance refers to the variance within each group (Boslaugh, 2013:209). The F-value and significance of F, F-sig., is also given. The most important test statistic for an ANOVA is the F-ratio. The F-ratio is the sum of squares between and within groups and determines whether statistically significant differences exist between the groups (Boslaugh, 2013). This study uses a one-way ANOVA, because differences between the means of the six sales teams are established for each of the leadership behaviours.

In conjunction with an ANOVA, Levene's test for equality of variances was conducted. Levene's test is testing whether variances in the groups are significantly different. If a value of significance is less than 0.05, then the variances are significantly different (Field, 2013).

In addition to applying inferential statistics, descriptive statistics were also used for this study.

#### 4.5.2 Descriptive statistics

Descriptive statistics describe a body of data, which includes central tendency, amount of variability and the extent to which variables relate to each other (Leedy & Ormrod, 2010). Central tendency refers to an estimate of the centre of a distribution of a data set, such as the mean and the standard deviation (Trochim, 2000; Leedy & Ormrod, 2010; 2012). The mean is calculated by adding all the values and dividing the sum total by the number of values (Trochim, 2000). The standard deviation is a measure of dispersion which refers to the spread of values around the central tendency (Trochim, 2000; Leedy & Ormrod, 2010; 2012).

Descriptive statistics were applied for Section B to identify the leadership behaviours of sales managers. The mean values for each sales team were used to identify leadership behaviour. The mean values were considered for both groups of respondents (the sales teams and the sales managers). The mean values of the sales teams were used to identify the leadership behaviour of sales managers. The mean values of the sales managers were utilised to produce a gap analysis. The gap (variance) is calculated by subtracting the mean of the sales managers' responses from the mean of the identified leadership behaviour based on the responses of the sales teams. The purpose of the gap analysis was to measure the difference in perception of leadership behaviour between sales teams and their respective sales managers. (A summary of the mean values for each leadership behaviour based on the perceptions of both the sales teams and their sales managers are presented in APPENDIX 10).

The descriptive research type for this study was a correlational study. A correlational study determines the extent to which variances in one characteristic relate to variances in other characteristics (Leedy & Ormrod, 2010; 2012). There are two types of correlation, namely a bivariate correlation and a partial correlation (Field, 2013). A bivariate correlation exists between two variables and a partial correlation quantifies the relationship between two variables by controlling the effect of one or more extra variables (Field, 2013). Correlations are interpreted through the application of a correlation coefficient (Reinard, 2006).

A correlation coefficient has a value ranging between -1 and +1, where the sign of the correlation coefficient indicates the direction of the relationship. The positive sign serves to indicate a direct relationship between two variables (whereby the increase of one variable relates to an increase in the other variable) and the negative sign serves to indicate an inverse relationship between two variables (Reinard, 2006). The two variables may be interval- or ratio-level variables (Boslaugh, 2013). Interval variables are variables of which equal sized differences on different parts of the scale remain the same (Everitt & Skrondal, 2011). A ratio variable contains a fixed zero point, such as weight (Everitt & Skrondal, 2011).

Pearson's correlation coefficient ( $r$ ) is appropriate when two interval or ratio scale variables are measured (Onwuegbuzie & Daniel, 1999). The Pearson's correlation coefficient ( $r$ ) is the most common correlation coefficient (Boslaugh, 2013), which is an index that measures the strength of the relationship between two variables (Field, 2013). As a measure of effect size, Pearson's correlation coefficient ( $r$ ) lies between 0 (no effect) and 1 (a perfect effect). This correlation coefficient may also be negative, but not below -1 (Field, 2013).

An important assumption for using Pearson's correlation coefficient ( $r$ ) is that the variables being measured are normally distributed (Hauke & Kossowski, 2011). In order to ensure that the previously-mentioned assumption is met, a histogram was plotted for each factor to confirm normality. The results of the histograms are attached as an appendix (APPENDIX 3).

Correlation was established within each geographic sales team to ascertain whether the leadership behaviour of each sales manager correlates with his/her sales team's motivation. The means and the Pearson correlation coefficient ( $r$ ) was used for each team in order to determine to what extent a relationship exists between leadership behaviour of sales managers and motivation of sales teams. Thereafter, correlation was also established as a composite, by aggregating the correlation for all six sales teams.

Taking the above into consideration, the means in sections B and C were finally compared to establish to what extent a relationship exists between leadership

behaviour of sales managers and the motivation of their respective sales teams. The quantitative data collected from section B were analysed to provide information on the leadership behaviour of the sales managers. It contains twenty-eight (28) questions. This section was analysed using SPSS where the responses of each member of the sales teams were plotted on the Likert scale. The means were considered for each sales team to determine the leadership behaviour of the respective sales managers. Having arrived at results, the next step identified to what extent a relationship exists between leadership behaviour of sales managers and motivation of sales people. Questions 29 to 56 in Section C relates specifically to motivation and how it relates to leadership behaviour.

Table 4.6 provides a summary of the statistical procedures used based on sections B and C of the questionnaire.

**Table 4.6: Summary of statistical procedures**

|                        | Statistical procedure              | Method of calculation or test statistic used  | Purpose   | Purpose of statistical procedure |
|------------------------|------------------------------------|---|---|----------------------------------|
| Descriptive statistics | Measure of central tendency (mean) | Calculation of mean scores for each leadership behaviour for each sales team  | The means provided by the descriptive table in the ANOVA was used. The means were used to identify the leadership behaviour of sales managers.  | To achieve Objective 2           |
|                        | Gap analysis                       | Calculated by subtracting the mean scores in perceptions of sales managers from the mean scores in perceptions of sales teams | To measure the difference in perception of leadership behaviour between sales teams and sales managers.   | To achieve Objective 3           |
|                        | Correlation analysis               | Pearson's correlation coefficient ( $r$ )   | To establish the strength of the relationship between leadership behaviour of sales managers and the motivation of their respective sales teams.  | To achieve Objective 4           |
| Inferential statistics | Factor analysis                    | KMO and Bartlett's test.<br><br>Principal component analysis (PCA) with a Varimax (orthogonal) rotation                       | To test whether a factor analysis may be done for the Questionnaire.<br><br>To cluster the questions on the questionnaire that matches the same leadership behaviour.   |                                  |
|                        | One-way ANOVA                      | Levene's test<br><br>and<br><br>F-ratio   | To determine and compare the means of each leadership behaviour.<br><br>To determine whether a statistically significant difference exist between the six sales teams for each of the four leadership behaviours. | Part of achieving Objective 3    |

(Source: Author)

Table 4.6 shows the descriptive and inferential statistical procedures utilised for this study. The above statistical procedures were specifically aimed at achieving the

second and third objectives of this study, with the exception of the factor analysis. The factor analysis was conducted for the questionnaire to serve its purpose in the analysis of this study.

Section D contains an open-ended question. The responses to this question were analysed using content analysis. Analysing qualitative data involves the analysis of text and image and deriving meaning from it (Creswell, 2003). Several methods exist for conducting qualitative data analysis (Smit & Firth, 2011).

Content analysis is an effective data reduction technique that compresses many words or phrases of text into fewer categories based on explicit coding rules (Stemler, 2001). Coding is a process of taking large amounts of data or text and reducing the text into smaller categories of information to assign a label to it with the aim of answering the research questions (Hahn, 2008; Creswell, 2013). Coding consists of several stages, namely open coding, which is intended to reduce the data to a manageable focus, selective coding, which narrows the focus to a relatively few codes, and axial coding, where themes are refined as ideas reach a critical density (Hahn, 2008).

There are three approaches to qualitative content analysis, which is conventional content analysis, directed content analysis and summative content analysis (Hsieh & Shannon, 2005). The most significant difference between the three approaches relates to the development of initial coding. In conventional content analysis, initial codes are derived directly from the text data. Directive content analysis starts with existing theory or relevant research findings that guide the initial coding process. A summative content analysis begins with the counting and comparison of words, followed by the interpretation of the context. Coding schemes may be applied to quantify the frequency of occurrences of coding categories (Franzosi, 2007). The process of the coding of words, phrases or portions of text leads to the arrival of common themes (Lichtman, 2014).

A theme refers to the fundamental concept a researcher is attempting to describe (Ryan & Bernard, 2003). The themes are identified by sorting all the feedback into groups of similar meaning (Ryan & Bernard, 2003).

The data collected from Section D was coded to produce key themes. The text from Section D on the questionnaire was read to represent perceptions of leadership behaviour based on the words and phrases of the respondents. Thereafter, the codes were reviewed for overlapping or common codes. The codes were eventually categorised into five categories, which are the five main themes that are represented as the findings of Section D. Tables 4.7 and 4.8 provides a categorisation of the codes into the key themes for both groups of respondents.

**Table 4.7: Coding of text based on perceptions of sales teams**

| Themes                  | Definition of code   | Code   |
|-------------------------|--|--|
| Task-oriented behaviour | Have strong organisational skills<br>High levels of experience<br>Communication and feedback<br>Providing data and information<br>Offer structure and order<br>Focused on goals<br>Show sense of responsibility<br>Keep track of objectives<br>Action-driven | OS = Organisational skills<br>E = Experienced<br>CF = Communication and feedback<br>DI = Data and information<br>S = Structure<br>F = Focus<br>R = Responsibility<br>M = Measure<br>AD = Action-driven |
| Supportive behaviour    | Allowing me to work independently<br>Trust me to achieve goals<br>Trustworthy<br>Show me support   | IN = Independence<br>T = Trust<br>T = Trust<br>SU = Support  |
| Directive behaviour     | Must be solutions-driven<br>Show creativity<br>Offer direction<br>Model the way<br>Provide me with guidance  | SOL = Solutions-driven<br>CR = Creative<br>D = Direction<br>MOD = Model the way<br>G = Guidance  |
| Team-oriented behaviour | Must be a team player<br>Allow input from sales people<br>Have good customer relations<br>Available to the team<br>Management involvement  | TP = Team player<br>IP = Input<br>RE = Relationships<br>AV = Availability<br>INV = Involvement   |
| Recognition             | Reward me when doing well<br>Recognising my efforts  | RW = Reward<br>RC = Recognition  |

(Source: Author)

**Table 4.8: Coding of text based on perceptions of sales managers**

| <b>Themes</b>           | <b>Definition of code</b>  | <b>Code</b>   |
|-------------------------|--|---|
| Task-oriented behaviour | Accountability<br>Communication and feedback<br>Measure implementation<br>Providing data and information | A = Accountability<br>CF = Communication and feedback<br>M = Measure<br>DI = Data and information |
| Supportive behaviour    | Trustworthy<br>Allow independence<br>Support the actions of sales people                                 | T = Trust<br>IN = Independence<br>SU = Support  |
| Directive behaviour     | Leading the way<br>Provide direction<br>Provide me with guidance   | MOD = Model the way<br>D = Direction<br>G = Guidance  |
| Team-oriented behaviour | Team player<br>Obtain input from sales people  | TP = Team player<br>IP = Input  |
| Recognition             | Recognise those who deliver results  | RC = Recognition  |

(Source: Author)

Tables 4.7 and 4.8 show the coding lists based on the perceptions of sales teams and sales managers respectively. After assigning and categorising the codes into the key themes, the frequencies of the codes were counted for each category of leadership behaviour or leadership action.

Microsoft Excel was used to present the key themes. The identified themes were counted and were presented as bar charts based on the number of times (frequencies) it appeared. The purpose of including an open-ended question was to explore which leadership behaviours may motivate sales teams during the implementation stages of launching a clone.

The biographical information gathered from Section A depicts the demographics of the population, which is displayed in table-format as frequencies and associated percentages of the population by age, gender, years of pharmaceutical sales experience (tenure), geographic scope and racial group.

## **4.6 QUALITY AND RIGOUR**

Rigour is a type of quality control of information (McGregor & Murnane, 2010). It ensures that a standard of accuracy is used in order for the results to be trusted and true. The two criteria used as evidence of rigour in the positivistic paradigm are reliability and validity, which is discussed below.

Reliability - Reliability is the consistency with which a measurement instrument provides an outcome or delivers results when the entity being measured remains unchanged (Leedy & Omrod, 2010:29). There are three major considerations for measuring reliability, namely stability, internal reliability and inter-observer consistency (Bryman, 2012). Stability refers to the stability of the measure that creates the confidence that the results stemming from the measure for a sample of respondents remain stable. Internal reliability assesses whether the scores of respondents on one indicator tend to be related to their scores on other indicators. Inter-observer consistency refer to the involvement of a variety of subjective judgements during the translation of data into groups or categories, where more than one observer is involved, the possibility arises that there might be inconsistency in observation (Bryman, 2012).

The questions formulated for the questionnaire were appropriate to the issues under investigation. Care was taken to formulate questions pertinent to leadership behaviour and levels of motivation. Cronbach alpha was used to test the internal reliability of the questionnaire. Cronbach alpha is a test that calculates the average of all possible split-half reliability coefficients (Bryman, 2012). The alpha coefficient varies between 1 (meaning perfect internal reliability) and 0 (meaning no internal reliability).

Validity: Validity refers to the strength of the conclusions and inferences, as well as the appropriateness to generalise the findings to a larger population or different setting (McGregor & Murnane, 2010). Validity may be internal or external.

Internal validity: Internal validity is the extent to which the research design and the data it provides allow the researcher to draw accurate conclusions about cause-and-

effect and other relationships as per the data. (Leedy & Omrod, 2010:97). A possible threat to internal validity may be the researcher's own perceptions on the subject matter. It was imperative therefore for the researcher to remain objective and detached from personal views.

External validity: External validity refers to the extent to which the results are applicable to other situations and where conclusions could be generalised (Leedy & Omrod, 2010:99). External validity is limited due to the fact that the population represented a single pharmaceutical organisation. It could be extended to more pharmaceutical organisations.

Face validity: Face validity was conducted, because the researcher developed the questionnaire. Face validity was established to ensure that the measurement instrument reflects the content of the concept under investigation by asking experts in the field of the concepts to judge the measure (Bryman, 2012). In this case, the researcher forwarded the instrument to the organisation's Human Resource Manager, who is an industrial psychologist and expert in the field of motivation and leadership.

Rigour in post-positivist research (Interpretive) strives for trustworthiness criteria such as credibility, transferability, dependability and confirmability. The reader must answer the question "Why should I believe this?" (McGregor & Murnane, 2010).

Credibility was established, because the investigator is also a member of the organisation and therefore familiar with the culture of the organisation. Findings of this study will be compared to previous studies conducted in similar organisations. This study may be transferred as a thick description of the information was provided. Care was taken by the researcher to remain objective and unbiased. The researcher accepted the content of the respondents and interpreted the findings free from the researcher's own views and perceptions. A detailed description of the methodology was presented, making allowance for the results to be repeated and scrutinised.

## **4.7 ETHICS AND ETHICAL CONSIDERATIONS**

Ethics refer to norms and standards of behaviour that guides moral decisions and choices regarding research behaviour (Cooper & Schindler, 2006). Leedy and Ormrod (2010:101) warn that a closer stance should be taken at ethical implications of research as it involves humans and their emotions and thought patterns. Based on the University of South Africa's guidelines for research involving human respondents, the appropriate moral and general ethics principles were applied to this study.

### **4.7.1 Measures of confidentiality**

To ensure confidentiality in this study, respondents were assured that participation was confidential and anonymous. Identification by name was avoided as responses were not linked to any individual, but rather to a team. Care was taken to ensure that no other party obtained information other than the researcher, the statistician and the respondents. The responses were stored on the researcher's personal password-protected computer. Data were protected via the installation of a portable security lock.

### **4.7.2 Informed consent**

An invitation to participate in the study was e-mailed to the selected participants in the form of a cover letter. The cover letter provided the option for participants to agree to participate in the study. The actual questionnaire accompanied the cover letter. In addition, a copy of the University of South Africa's (UNISA) Policy on Research Ethics was e-mailed to respondents, allowing them to make an informed decision regarding their willingness to participate. Respondents were notified that a copy of the study is available upon request.

#### 4.7.3 Level of risk

The level of risk was considered minimal. There was no physical risk to any respondent as the study was conducted using an online questionnaire. The duration of the survey was 20 - 30 minutes and was appropriate, because the researcher undertook the research within ten minutes. However, due to the fact that the researcher compiled the questionnaire, the researcher was able to complete the questionnaire sooner than other respondents. As a result, the researcher allocated twice the amount of time for respondents to complete the survey.

Efforts were made to ensure that the survey did not burden respondents as they were not inconvenienced above their normal duties. In addition, respondents were not required to provide information that was considered sensitive to their relationships with their sales managers. Care was also taken to ensure a sound and healthy relationship was maintained between the researcher and the respondents. Respondents were given guidelines should they experience any harm due to their participation in this survey. During such an event, the researcher would either contact the ethics committee or make arrangements for a debriefing session. Participation in this survey was voluntary.

#### 4.7.4 Duration of data storage and procedure for disposal of data

The data will be retained on the researcher's personal computer for a period of five years. Thereafter, the data will be permanently deleted. An application called Eraser (depending on the available version at the time) will be downloaded from the Internet. Eraser is compatible with Windows that erases data permanently from a hard drive.

## **4.8 CHAPTER CONCLUSION**

Chapter 4 described the research design of this study, which contains a description of the research approach, the target population and setting, the research philosophy and research strategy, as well as a discussion of the measurement instrument. The measurement instrument was a questionnaire that was e-mailed to all respondents via SurveyMonkey. SurveyMonkey collected and stored the data for analysis by SPSS and MS Excel. Ethical considerations were also discussed in this chapter.

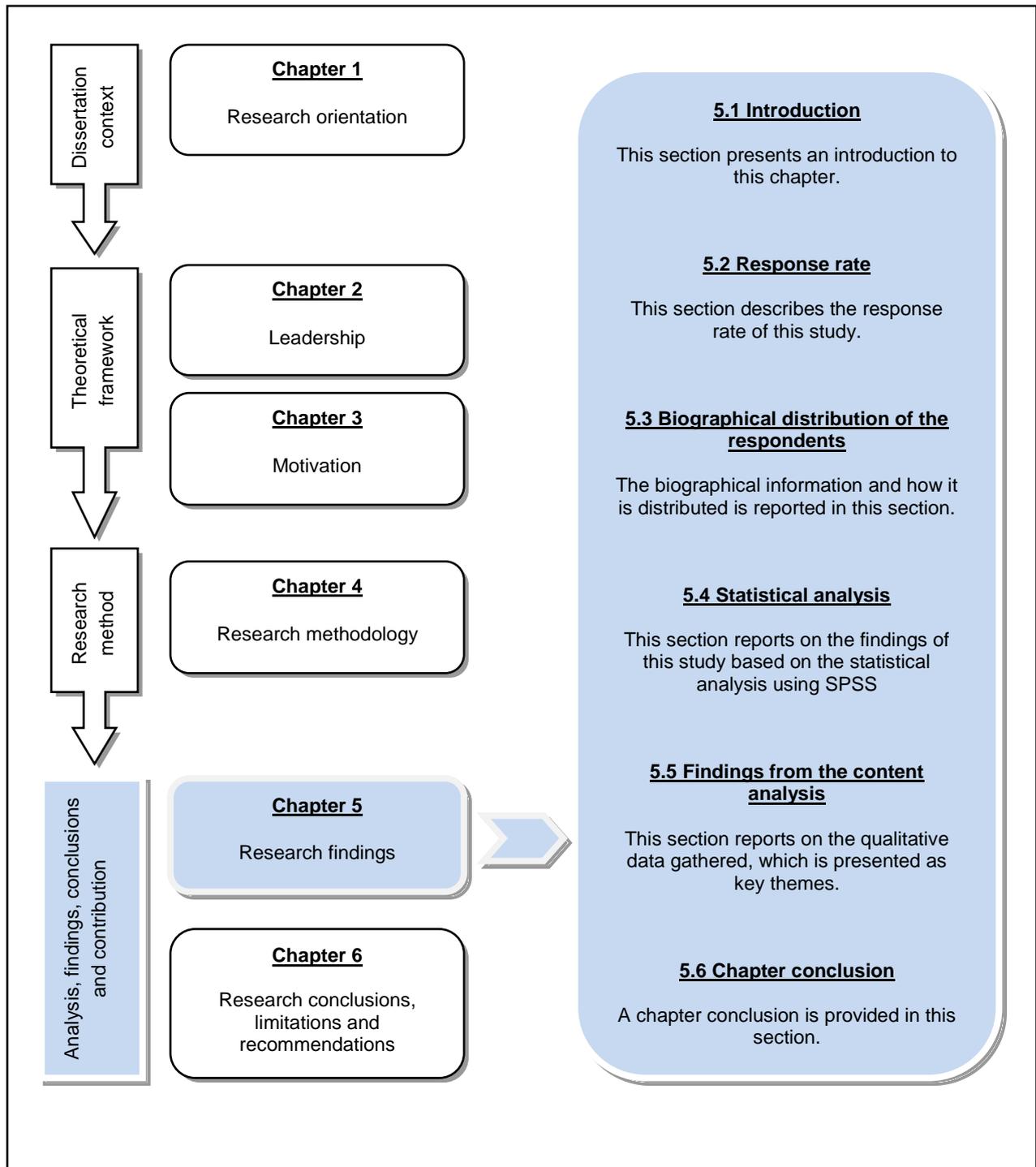
Chapter 5 offers a detailed description of the data analysis and findings of this study.

## **5.1 INTRODUCTION**

The purpose of this study was to investigate to what extent a relationship exists between the leadership behaviour of sales managers and the motivation of sales teams during the implementation of strategic alliances within a pharmaceutical organisation in South Africa. The first objective was to review the concepts of leadership and motivation against previous literature that is associated with the motivation of followers. The first objective was addressed in Chapters 2 and 3, which provides a literature review on leadership and motivation respectively. The second objective aimed to identify the leadership behaviour of sales managers and whether a difference exists in perceptions between sales teams, as well as between sales teams and sales managers. The third objective measured differences in perceptions of leadership behaviour. The differences in perceptions were measured between the six sales teams, as well as between the six sales team and their respective sales managers. The fourth objective of this study investigated to what extent a relationship existed between current leadership behaviour of sales managers and sales team motivation based on perceptions of sales teams. Finally, the determinants into the leadership behaviours and its association with the motivation of sales teams during the implementation of strategic alliances are identified.

Chapter 4 provided a discussion of the research methodology that aimed to achieve the second, third, fourth and fifth objectives of this study. This chapter reports on the findings of this study. Initially this chapter focuses on the response rate and demographics of the population. The results of the ANOVA are presented, and are followed by the findings of the correlation analysis between leadership behaviour of sales managers and motivation of sales teams. A correlation is established within each sales team and is also determined as an aggregate. Finally, the key themes will be reported which indicates the leadership behaviours of sales managers that may resolve additional sales team motivation.

An overview of Chapter 5 is highlighted in Figure 5.1 as follows:



**Figure 5.1: Diagrammatical layout of Chapter 5**

(Source: Author)

## **5.2 RESPONSE RATE**

The target population of this study consisted of the only sales teams in the organisation that is responsible for implementing a strategic alliance strategy. The sales teams comprise a total of 54 sales representatives and 6 sales managers, who are clustered into six sales teams. Each sales team reports to a single sales manager. Table 5.1 illustrates the response rate by respondent type as follows:

**Table 5.1: Response rate by respondent type**

| Sales team members                 |   |                   | Sales managers                 |                                     |                   |
|------------------------------------|---|-------------------|--------------------------------|-------------------------------------|-------------------|
| Total number of sales team members | Number of responses by sales team members | Response rate (%) | Total number of sales managers | Number of sales managers' responses | Response rate (%) |
| 54                                 | 51  | 94,4%             | 6                              | 6                                   | 100%              |

Table 5.1 indicates the response rate by respondent type. A response rate of 94.4% was achieved by the sales team members, whereas a 100% response rate was achieved by the sales managers. The biographical distribution of the population is presented in the following section.

## **5.3 BIOGRAPHICAL DISTRIBUTION OF THE RESPONDENTS**

The following biographical data have been gathered to analyse the respondents of this study. The biographical information is displayed based on its distribution by gender, age, years of pharmaceutical sales experience, racial groups and geographic territory. The geographic territory classification was also the basis of sales team grouping.

### 5.3.1 Distribution of respondents by gender

The distribution of the respondents by gender is presented in Table 5.2.

**Table 5.2: Gender distribution**

|              | Frequency | Percent      | Valid Percent | Cumulative Percent |
|--------------|-----------|--------------|---------------|--------------------|
| Female       | 36        | 70.6         | 70.6          | 70.6               |
| Male         | 15        | 29.4         | 29.4          | 100.0              |
| <b>Total</b> | <b>51</b> | <b>100.0</b> | <b>100.0</b>  |                    |

As depicted in Table 5.2, 70,6% of the study respondents consisted of females. The males contributed 29,4% of the analysis. A total number of 51 respondents were included in the analysis of the study.

### 5.3.2 Distribution of respondents by age group

The ages of the respondents have been divided into six age groups. The distributions of the age groups are presented in Table 5.3 below.

**Table 5.3: Age distribution**

|               | Frequency | Percent      | Valid Percent | Cumulative Percent |
|---------------|-----------|--------------|---------------|--------------------|
| < 25 years    | 2         | 3.9          | 3.9           | 3.9                |
| >60 years     | 1         | 2.0          | 2.0           | 5.9                |
| 25– 30 years  | 9         | 17.6         | 17.6          | 23.5               |
| 31– 39 years  | 25        | 49.0         | 49.0          | 72.5               |
| 40 – 49 years | 10        | 19.6         | 19.6          | 92.2               |
| 50 – 59 years | 4         | 7.8          | 7.8           | 100.0              |
| <b>Total</b>  | <b>51</b> | <b>100.0</b> | <b>100.0</b>  |                    |

Table 5.3 provides a demarcation of the various age groups of this study. Only one respondent is older than sixty years, yielding 2% of the population and 3,9% of the

respondents are under 25 years of age. The age group with the highest frequency of respondents belongs to the 31-39 year old group, yielding almost half (49%) of the study population.

### 5.3.3 Distribution of respondents by years of pharmaceutical sales experience

The distribution of the respondents by years of experience in the pharmaceutical industry is presented in Table 5.4.

**Table 5.4: Years of pharmaceutical sales experience**

|                    | Frequency | Percent      | Valid Percent | Cumulative Percent |
|--------------------|-----------|--------------|---------------|--------------------|
| 1 – 5 years        | 16        | 31.4         | 31.4          | 31.4               |
| 11 – 15 years      | 8         | 15.7         | 15.7          | 47.1               |
| 16 – 20 years      | 7         | 13.7         | 13.7          | 60.8               |
| 6 – 10 years       | 14        | 27.5         | 27.5          | 88.2               |
| 6 months to 1 year | 3         | 5.9          | 5.9           | 94.1               |
| More than 20 years | 3         | 5.9          | 5.9           | 100.0              |
| <b>Total</b>       | <b>51</b> | <b>100.0</b> | <b>100.0</b>  |                    |

Table 5.4 clarifies the distribution of the respondents based on years of pharmaceutical sales experience. The majority of the respondents fell within the 1-5 years of experience group, denoting that 31,4% of the respondents had 1-5 years of experience in the pharmaceutical industry. The second highest percentage was within the 6-10 years of experience group, yielding 27,5% of the study population. The lowest categories appeared in the “6 months to 1 year” (5,9%) and the “more than 20 years” (5,9%) groups. The years of experience may have impacted on the findings with specific reference to Hersey and Blanchard’s situational leadership theory (1969). Highly experienced sales team members may require more supportive leadership behaviour, whereas sales team members with less experience may need more directive leadership.

### 5.3.4 Distribution of respondents by racial groups

The racial distribution is presented below:

**Table 5.5: Racial distribution**

|                        | Frequency | Percent      | Valid Percent | Cumulative Percent |
|------------------------|-----------|--------------|---------------|--------------------|
| African                | 2         | 3.9          | 3.9           | 3.9                |
| Coloured               | 2         | 3.9          | 3.9           | 7.8                |
| Indian                 | 6         | 11.8         | 11.8          | 19.6               |
| Prefer not to indicate | 3         | 5.9          | 5.9           | 25.5               |
| White                  | 38        | 74.5         | 74.5          | 100.0              |
| <b>Total</b>           | <b>51</b> | <b>100.0</b> | <b>100.0</b>  |                    |

The largest race group in this study was the White race group, yielding a representation of 74,5%. The Indian race group consisted of 11,8% of the study population. The African and Coloured race groups were least represented at 3,9% each. There were three sales team members who preferred not to indicate their race, which constituted 5,9% of the study population.

### 5.3.5 Distribution of respondents by geographic territory

The respondents of the study were grouped according to geographic territories to form the respective sales teams. The distribution of the six sales teams by geographic area is presented in Table 5.6 below:

**Table 5.6: Geographic territory distribution**

|                         | Frequency | Percent      | Valid Percent | Cumulative Percent |
|-------------------------|-----------|--------------|---------------|--------------------|
| Geographic sales team A | 6         | 11.8         | 11.8          | 11.8               |
| Geographic sales team B | 11        | 21.6         | 21.6          | 33.3               |
| Geographic sales team C | 6         | 11.8         | 11.8          | 45.1               |
| Geographic sales team D | 7         | 13.7         | 13.7          | 58.8               |
| Geographic sales team E | 11        | 21.6         | 21.6          | 80.4               |
| Geographic sales team F | 10        | 19.6         | 19.6          | 100.0              |
| <b>Total</b>            | <b>51</b> | <b>100.0</b> | <b>100.0</b>  |                    |

Table 5.6 indicates that Sales team B and Sales team E showed the highest number of responses, yielding 21.6% of the study population each. Sales team A and Sales team C each had six respondents, which constituted a percentage of 11.8% who had completed the questionnaire. Aliases were used to ensure anonymity of the geographic sales team members and their respective sales managers.

#### **5.4 STATISTICAL ANALYSIS**

The results of the survey were statistically analysed by means of inferential and descriptive statistics, which included a presentation of the means, an ANOVA, a gap analysis and a correlation analysis. The means were given by the descriptive table in the ANOVA. The means were used to identify the leadership behaviour of sales managers. The one-way ANOVA was used to determine whether a statistically significant difference exist between the six sales teams for each of the four leadership behaviours. The gap analysis aimed to measure the difference in perception of leadership behaviour between sales teams and sales managers. The correlation analysis, using Pearson's correlation coefficient ( $r$ ) measured the strength of the relationship between leadership behaviour of sales managers and the motivation of their respective sales teams. All the above statistical procedures were applied to achieve the second and third objectives of this study.

The discussion in the following sections provides a full description of the findings.

#### 5.4.1 Analysis of Variance (ANOVA)

A one-way ANOVA was the inferential statistical test conducted for this study to determine the mean for each leadership behaviour of sales managers for each sales team. The ANOVA results are depicted by use of a descriptive statistics table. The difference in means were further analysed to examine whether a statistically significant difference exist between the sales teams for each leadership behaviour. The Levene's test table and an ANOVA table for each of the four leadership behaviours identified, depicted whether the observed mean differed significantly.

##### 5.4.1.1 Analysis of Variance (ANOVA): Team leadership

The descriptive table below (Table 5.7) provides descriptive statistics, including the mean, standard deviation, standard error, minimum and maximum, as well as the 95% confidence intervals for team leadership for each of the six sales teams.

**Table 5.7: Descriptive statistics for team leadership**

| Territory    | N  | Mean   | Std. Deviation | Std. Error | 95% Confidence Interval for Mean |             |
|--------------|----|--------|----------------|------------|----------------------------------|-------------|
|              |    |        |                |            | Lower Bound                      | Upper Bound |
| Sales team A | 6  | 5.2000 | .50990         | .20817     | 4.6649                           | 5.7351      |
| Sales team B | 11 | 4.3818 | 1.00977        | .30446     | 3.7034                           | 5.0602      |
| Sales team C | 6  | 5.0333 | 1.11295        | .45436     | 3.8654                           | 6.2013      |
| Sales team D | 7  | 4.4429 | .87532         | .33084     | 3.6333                           | 5.2524      |
| Sales team E | 11 | 5.2182 | .94849         | .28598     | 4.5810                           | 5.8554      |
| Sales team F | 10 | 5.3100 | .43830         | .13860     | 4.9965                           | 5.6235      |
| Total        | 51 | 4.9255 | .90374         | .12655     | 4.6713                           | 5.1797      |

The table of descriptive statistics for team leadership for the six sales teams is shown above in Table 5.7. The mean for Sales team F was the highest for team leadership with a mean of 5.3100 and a standard deviation of 0.4383. Sales team B rated team leadership behaviour the lowest (mean = 4.3818), with a standard deviation of 1.0098. The overall mean for team leadership was 4.9255. This result

denotes that sales people across all sales teams agreed that their sales managers have an overall team leadership behaviour.

In this case, Levene's test was used to test whether the variances of the six geographic sales teams were significantly different for team leadership. The result is demonstrated in Table 5.8 below:

**Table 5.8: Test of homogeneity of variances for team leadership**

| Levene Statistic | df1 | df2 | Sig. |
|------------------|-----|-----|------|
| 1.385            | 5   | 45  | .248 |

Table 5.8 shows that the significance value for homogeneity of variance is above 0.05 ( $p=0.248$ ). It may be concluded that the variances of the sales teams were relatively similar; hence there was no evidence for any differences in variance between the six sales teams for team leadership and therefore there homogeneity of variance for team leadership.

The ANOVA table (Table 5.9 below) shows whether a statistically significant difference in means existed between the six sales teams.

**Table 5.9: One-way ANOVA for team leadership**

|                | Sum of Squares | Df | Mean Square | F     | Sig. |
|----------------|----------------|----|-------------|-------|------|
| Between Groups | 7.825          | 5  | 1.565       | 2.133 | .079 |
| Within Groups  | 33.012         | 45 | .734        |       |      |
| Total          | 40.837         | 50 |             |       |      |

In summary, the one-way ANOVA examined whether there was a statistically significant difference amongst the six sales teams for team leadership. Table 5.9

shows that the significance level comparing the six sales teams was 0.79. The results revealed that team leadership did not differ significantly amongst the six sales teams,  $F(5,45) = 2.133$ ,  $p > 0.05$ .

The next leadership behaviour that was examined is supportive leadership.

#### 5.4.1.2 Analysis of Variance (ANOVA): Supportive leadership

The descriptive statistics for supportive leadership is illustrated in Table 5.10 below:

**Table 5.10: Descriptive statistics for supportive leadership**

|              | N  | Mean   | Std. Deviation | Std. Error | 95% Confidence Interval for Mean |             |
|--------------|----|--------|----------------|------------|----------------------------------|-------------|
|              |    |        |                |            | Lower Bound                      | Upper Bound |
| Sales team A | 6  | 4.7381 | .35475         | .14483     | 4.3658                           | 5.1104      |
| Sales team B | 11 | 4.0779 | 1.31919        | .39775     | 3.1917                           | 4.9642      |
| Sales team C | 6  | 5.0714 | 1.06042        | .43291     | 3.9586                           | 6.1843      |
| Sales team D | 7  | 4.4490 | 1.10481        | .41758     | 3.4272                           | 5.4708      |
| Sales team E | 11 | 5.1948 | .84097         | .25356     | 4.6298                           | 5.7598      |
| Sales team F | 10 | 4.9000 | .55960         | .17696     | 4.4997                           | 5.3003      |
| Total        | 51 | 4.7255 | .99462         | .13927     | 4.4458                           | 5.0052      |

Table 5.10 indicates that Sales team E showed the highest mean value for supportive leadership behaviour (mean = 5.198). This team agreed that their sales manager exerted a supportive leadership behaviour. Sales team B showed the lowest mean for supportive leadership (mean = 4.0779), indicating that they slightly agreed that their sales manager exercised a supportive leadership behaviour.

**Table 5.11: Test of homogeneity of variances for supportive leadership**

| Levene Statistic | df1 | df2 | Sig. |
|------------------|-----|-----|------|
| 3.727            | 5   | 45  | .007 |

Table 5.11 shows that the significance value for homogeneity of variance was below 0.05 ( $p=0.007$ ). It may be concluded that the variances of the sales teams were relatively different, hence there is evidence that differences in variance between the six sales teams for supportive leadership exist. There was therefore no homogeneity of variance for supportive leadership.

**Table 5.12: One-way ANOVA for supportive leadership**

|                | Sum of Squares | df | Mean Square | F     | Sig. |
|----------------|----------------|----|-------------|-------|------|
| Between Groups | 8.594          | 5  | 1.719       | 1.893 | .114 |
| Within Groups  | 40.869         | 45 | .908        |       |      |
| Total          | 49.463         | 50 |             |       |      |

As can be viewed from Table 5.12, the significance level comparing the six sales teams is 0.114. The results revealed that supportive leadership did not differ significantly amongst the six sales teams,  $F(5,45) = 1.893$ ,  $p>0.05$ .

### 5.4.1.3 Analysis of Variance (ANOVA): Autocratic leadership

The descriptive statistics for autocratic leadership behaviour is depicted in Table 5.13.

**Table 5.13: Descriptive statistics for autocratic leadership**

|              | N  | Mean   | Std. Deviation | Std. Error | 95% Confidence Interval for Mean |             |
|--------------|----|--------|----------------|------------|----------------------------------|-------------|
|              |    |        |                |            | Lower Bound                      | Upper Bound |
| Sales team A | 6  | 2.6667 | 1.36626        | .55777     | 1.2329                           | 4.1005      |
| Sales team B | 11 | 3.2424 | .88306         | .26625     | 2.6492                           | 3.8357      |
| Sales team C | 6  | 2.6111 | 1.14342        | .46680     | 1.4112                           | 3.8111      |
| Sales team D | 7  | 3.6667 | .66667         | .25198     | 3.0501                           | 4.2832      |
| Sales team E | 11 | 3.0000 | 1.00000        | .30151     | 2.3282                           | 3.6718      |
| Sales team F | 10 | 3.0333 | 1.17010        | .37002     | 2.1963                           | 3.8704      |
| Total        | 51 | 3.0654 | 1.03713        | .14523     | 2.7737                           | 3.3571      |

Table 5.13 reveals an overall mean for autocratic leadership of 3.0654. This mean indicated that the six sales teams slightly disagree that their sales managers exert autocratic leadership behaviour. The sales team with the lowest mean is Sales team C (mean=2.6111).

**Table 5.14: Test of homogeneity of variances for autocratic leadership**

| Levene Statistic | df1 | df2 | Sig. |
|------------------|-----|-----|------|
| .912             | 5   | 45  | .482 |

Table 5.14 shows that the significance value for homogeneity of variance is 0.482. The variances of the sales teams were relatively similar, hence there is evidence that no difference in variance between the six sales teams for autocratic leadership exist. There is therefore homogeneity of variance for autocratic leadership.

**Table 5.15: One-way ANOVA for autocratic leadership**

|                | Sum of Squares | df | Mean Square | F    | Sig. |
|----------------|----------------|----|-------------|------|------|
| Between Groups | 5.125          | 5  | 1.025       | .948 | .460 |
| Within Groups  | 48.657         | 45 | 1.081       |      |      |
| Total          | 53.782         | 50 |             |      |      |

The one-way ANOVA table (Table 5.15) examines whether there is a statistically significant difference amongst the six sales teams for autocratic leadership. The significance level comparing the six sales teams is 0.460. Autocratic leadership does not differ significantly amongst the six sales teams,  $F(5, 45) = 0.948, p > 0.05$ .

**5.4.1.4 Analysis of Variance (ANOVA): Directive leadership**

The descriptive statistics for directive leadership is presented in Table 5.16 as follows.

**Table 5.16: Descriptive statistics for directive leadership**

|              | N  | Mean   | Std. Deviation | Std. Error | 95% Confidence Interval for Mean |             |
|--------------|----|--------|----------------|------------|----------------------------------|-------------|
|              |    |        |                |            | Lower Bound                      | Upper Bound |
| Sales team A | 6  | 4.9722 | .89080         | .36367     | 4.0374                           | 5.9071      |
| Sales team B | 11 | 4.3485 | 1.22123        | .36822     | 3.5280                           | 5.1689      |
| Sales team C | 6  | 4.9722 | .68651         | .28027     | 4.2518                           | 5.6927      |
| Sales team D | 7  | 4.5238 | .87891         | .33220     | 3.7110                           | 5.3367      |
| Sales team E | 11 | 5.3939 | .69631         | .20995     | 4.9262                           | 5.8617      |
| Sales team F | 10 | 5.4000 | .35312         | .11167     | 5.1474                           | 5.6526      |
| Total        | 51 | 4.9510 | .90878         | .12725     | 4.6954                           | 5.2066      |

The total mean for directive leadership behaviour is 4.9510, which indicates that the six sales teams agree that their sales managers practice directive leadership behaviour. Sales team F indicates the highest mean of 5.400.

**Table 5.17: Test of homogeneity of variances for directive leadership**

| Levene Statistic | df1 | df2 | Sig. |
|------------------|-----|-----|------|
| 2.378            | 5   | 45  | .054 |

Table 5.17 shows that the significance value for homogeneity of variance is 0.054. It may be concluded that the variances of the sales teams were relatively similar; hence there is no evidence for any differences in variance between the six sales teams for directive leadership and thus there is homogeneity of variance for directive leadership.

**Table 5.18: One-way ANOVA for directive leadership**

|                | Sum of Squares | Df | Mean Square | F     | Sig. |
|----------------|----------------|----|-------------|-------|------|
| Between Groups | 9.450          | 5  | 1.890       | 2.671 | .034 |
| Within Groups  | 31.844         | 45 | .708        |       |      |
| Total          | 41.294         | 50 |             |       |      |

Based on Table 5.18, the significance level comparing the six sales teams for directive leadership is 0.034. Directive leadership therefore differ significantly amongst the six sales teams,  $F(5, 45) = 2.671$ ,  $p < 0.05$ . Data indicate that there is no homogeneity between the six sales teams.

A summary of the mean for each leadership behaviour is presented in Table 5.19. The p-value is included to present whether a statistically significant difference exists between the sales teams for each leadership behaviour.

**Table 5.19: Summary of means and p-values of leadership behaviour amongst sales teams**

| <b>TEAM LEADERSHIP</b>       | Mean | p-value      | <b>SUPPORTIVE LEADERSHIP</b> | Mean | p-value      |
|------------------------------|------|--------------|------------------------------|------|--------------|
| Sales team F                 | 5,31 |              | Sales team E                 | 5,19 |              |
| Sales team E                 | 5,22 |              | Sales team C                 | 5,07 |              |
| Sales team A                 | 5,2  |              | Sales team F                 | 4,9  |              |
| Sales team C                 | 5,03 |              | Sales team A                 | 4,74 |              |
| Sales team D                 | 4,44 |              | Sales team D                 | 4,45 |              |
| Sales team B                 | 4,38 |              | Sales team B                 | 4,08 |              |
| <b>Average mean</b>          |      |              | <b>Average mean</b>          |      |              |
| <b>4,93</b>                  |      | <b>0.079</b> | <b>4,73</b>                  |      | <b>0.114</b> |
| <b>AUTOCRATIC LEADERSHIP</b> | Mean | p-value      | <b>DIRECTIVE LEADERSHIP</b>  | Mean | p-value      |
| Sales team D                 | 3,67 |              | Sales team F                 | 5,40 |              |
| Sales team B                 | 3,24 |              | Sales team E                 | 5,39 |              |
| Sales team F                 | 3,03 |              | Sales team A                 | 4,97 |              |
| Sales team E                 | 3,00 |              | Sales team C                 | 4,97 |              |
| Sales team A                 | 2,67 |              | Sales team D                 | 4,52 |              |
| Sales team C                 | 2,61 |              | Sales team B                 | 4,35 |              |
| <b>Average mean</b>          |      |              | <b>Average mean</b>          |      |              |
| <b>3,07</b>                  |      | <b>0.460</b> | <b>4,95</b>                  |      | <b>0.034</b> |

The summary of means presented in Table 5.19 indicates that the average mean for team-, supportive- and directive leadership are 4.93, 4.73 and 4.95 respectively. Autocratic leadership had the lowest overall mean of 3.07. The mean for directive leadership is the only leadership behaviour that was statistically significant ( $p < 0.05$ ). There was also no statistically significant difference between the sales teams for team leadership, supportive leadership and autocratic leadership ( $p > 0.05$ ). The means were ranked in descending order for each leadership behaviour by each sales team.

The findings of the above ANOVA were based on the perceptions of the sales team members. An ANOVA was also run to determine the leadership behaviour of sales managers based on the sales managers' perceptions. A summary of the means

based on the sales manager’s perceptions of their own leadership behaviour are attached (APPENDIX 10). The perceptions of the sales managers were considered to compare their own perceptions of leadership behaviour with the perceptions of the sales teams. The differences in perceptions are depicted and described in the following section.

5.4.2 Differences in perceptions of leadership behaviour between sales teams and sales managers

The difference in perception between sales managers and sales teams are presented and described for all four leadership behaviours in Figure 5.2 (Supportive leadership), Figure 5.3 (Directive leadership), Figure 5.4 (Team leadership) and Figure 5.5 (Autocratic leadership) in the sections below.

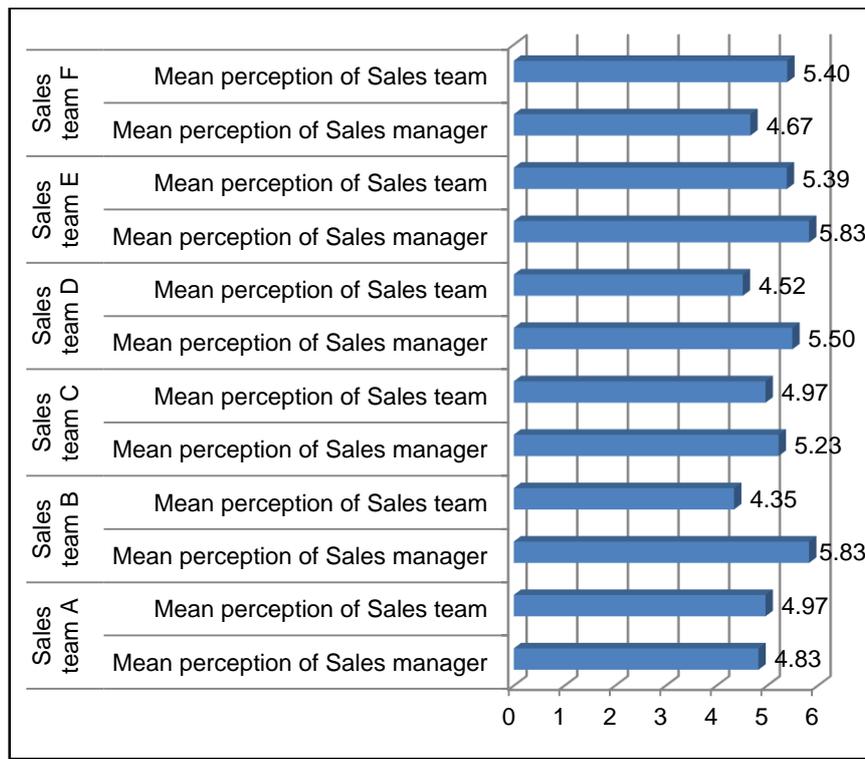
5.4.2.1 Perceptions of supportive leadership



**Figure 5.2: Perceptions of supportive leadership between sales teams and sales managers**

Based on Figure 5.2, Sales team B shows a mean of 4.08 for supportive leadership, indicating that the sales team slightly agrees that the sales manager exert supportive leadership behaviour. The sales manager for this sales team shows a mean of 6.0, demonstrating that the sales manager strongly agrees to exert supportive leadership behaviour. Consequently, a marked difference in perception between the sales team and the sales manager of Sales team B exists for supportive leadership. The sales manager and sales team's perception of supportive leadership are relatively closer to an agreement in Sales team A since both agree that the sales manager exhibits supportive leadership behaviour.

#### 5.4.2.2 Perceptions of directive leadership

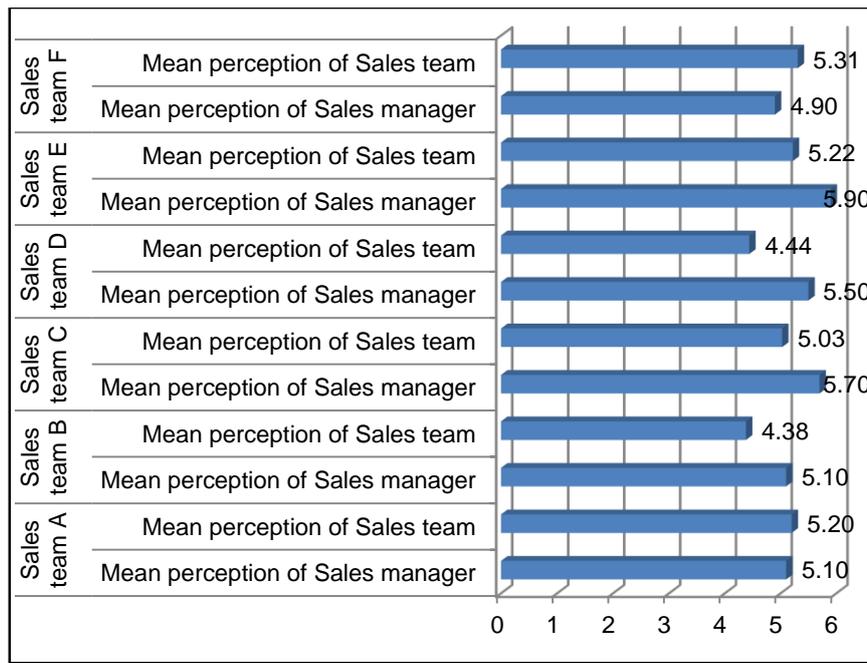


**Figure 5.3: Perceptions of directive leadership between sales teams and sales managers**

As can be seen from Figure 5.3, the sales manager of Sales team B strongly agrees that he/she demonstrate directive leadership behaviour (mean = 5.83), whereas his/her sales team slightly agree (mean = 4.35) that the sales manager exert a directive leadership behaviour. Sales team A and Sales team C have a similar

perception of directive leadership behaviour between the sales teams and the sales managers of both teams and sales managers agree to a directive leadership behaviour.

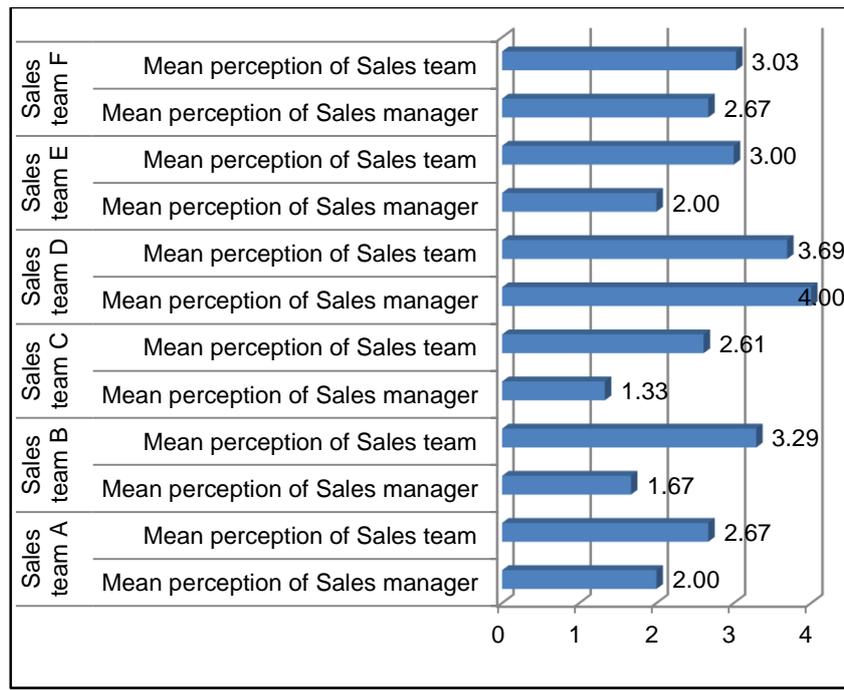
#### 5.4.2.3 Perceptions of team leadership



**Figure 5.4: Perceptions of team leadership between sales teams and sales managers**

The sales manager and sales team of Sales team A show a mean of 5.10 and 5.20 respectively, denoting that both agree that the sales manager encourages team leadership. Sales team D shows a greater difference in perception between the sales manager and the sales team. The sales manager of Sales team D shows a mean of 5.50, indicating that he/she agrees that he/she encourages team leadership. The same sales team slightly agreed that their sales manager encourages team leadership (mean = 4.44).

#### 5.4.2.4 Perceptions of autocratic leadership



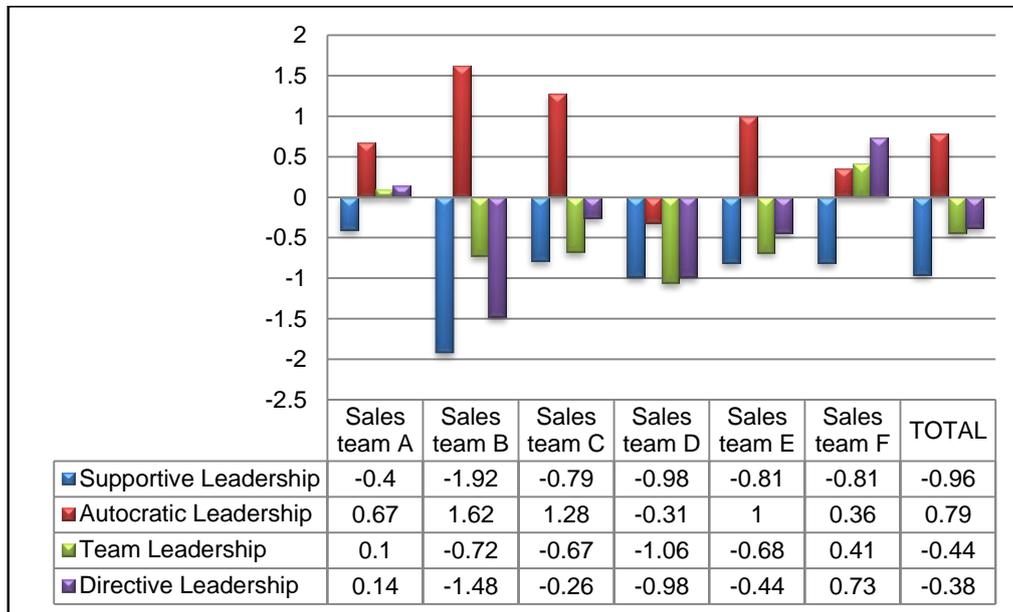
**Figure 5.5: Perceptions of autocratic leadership between sales teams and sales managers**

The manager of Sales team D has the highest mean for autocratic leadership based on his/her own perception (mean=4.0). His/her sales team has a mean of 3.69, which indicate that both slightly agree that the sales manager exercises autocratic leadership behaviour. For the remainder of the sales teams, there is generally a difference in the perception of autocratic leadership behaviour between the sales manager and the sales teams.

The exact difference in means between sales managers' perception and sales teams' perception for leadership behaviour is illustrated as a gap analysis in the next section.

### 5.4.3 Gap analysis for leadership behaviour

A gap analysis was conducted for all four leadership behaviours across the six sales teams. Figure 5.6 below explains the overall gap analysis.



**Figure 5.6: Gap analysis for leadership behaviour across all sales teams**

The gap analysis between sales managers and sales teams for leadership behaviour is illustrated in Figure 5.6 above. Sales team D showed negative scores for all four leadership behaviours, denoting that they rated their sales manager lower than he/she had rated himself/herself for each of the leadership behaviours. The largest difference in perception was for team leadership (mean difference of -1.06), whereas the lowest difference exist for autocratic leadership (with a mean difference of -0.31). Sales team A members demonstrated a higher perception in autocratic, team and directive leadership as opposed to their sales manager. However, the sales team showed a slightly lower perception than their sales manager in terms of supportive leadership behaviour. The greatest difference in perception exists for Sales team B for supportive leadership. The sales manager's perception of supportive leadership was markedly higher contrasted with the perception of the sales team (mean difference of -1.92).

The gap analysis provided insight into the differences in perceptions of leadership behaviour between sales managers and sales teams. The next section describes the findings of the correlation analysis. The correlation analysis aimed to determine the extent to which the leadership behaviour of sales managers has a relationship with the motivation of sales teams.

#### 5.4.4 Measuring results of association: Correlation analysis

A correlation analysis was run to determine the relationship between the four leadership behaviours of the six sales managers and the motivation of their respective sales teams. To test an important assumption for a Pearson's correlation, the histogram (see APPENDIX 3) demonstrates normality in the distribution of the questions. The first correlation results were revealed between supportive leadership behaviour and motivation.

##### 5.4.4.1 Correlation between supportive leadership and motivation

Table 5.20 illustrates Pearson correlation for supportive leadership behaviour for each of the six sales teams. The table depicts Pearson's correlation coefficient ( $r$ ), the significance level (2-tailed) and number of respondents for each sales team.

**Table 5.20: Correlations between sales teams for supportive leadership and motivation**

| SALES TEAM |                       |   | Supportive Leadership | Motivation         |
|------------|-----------------------|---|-----------------------|--------------------|
| A          | Supportive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6            | .476<br>.340<br>6  |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .476<br>.340<br>6     | 1<br><br>6         |
| B          | Supportive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11           | .378<br>.252<br>11 |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .378<br>.252<br>11    | 1<br><br>11        |
| C          | Supportive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6            | .118<br>.824<br>6  |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .118<br>.824<br>6     | 1<br><br>6         |
| D          | Supportive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>7            | .593<br>.160<br>7  |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .593<br>.160<br>7     | 1<br><br>7         |
| E          | Supportive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11           | .212<br>.531<br>11 |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .212<br>.531<br>11    | 1<br><br>11        |
| F          | Supportive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>10           | .254<br>.479<br>10 |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .254<br>.479<br>10    | 1<br><br>10        |

Table 5.20 shows that for the relationship between supportive leadership and motivation across all six teams, Pearson's correlation ranged from 0.118 to 0.593. All of the above correlations are insignificant at the 0.05 level (2-tailed).

For Sales team A, Pearson's correlation coefficient is 0.476. It may be concluded that a moderate positive relationship between the sales manager's supportive leadership behaviour and the motivation of his/her sales team exists. This relationship, however, is not significant as the significance value is 0.34. It may

therefore be concluded that there is an insignificant moderate relationship between the sales manager's supportive leadership behaviour of Sales team A and the motivation of his/her sales team members ( $r=0.476$ ,  $N=6$ ,  $p>0.05$ ).

There is an insignificantly weak positive relationship between supportive leadership behaviour of the sales manager of Sales team B and motivation of his/her sales team ( $r=0.378$ ,  $N=11$ ,  $p>0.05$ ). The extent to which supportive leadership behaviour of the sales manager of Sales team E motivates his/her sales team is exhibited with an insignificantly weak positive relationship ( $r=0.212$ ,  $N=11$ ,  $p>0.05$ ), which is similar to that of Sales team F's sales manager and his/her sales team ( $r=0.254$ ,  $N=10$ ,  $p>0.05$ ).

Sales team D showed the highest  $r$ -value where a moderate positive relationship between the supportive leadership behaviour of the sales manager of Sales team D and his/her sales team exists. However, this relationship is statistically insignificant ( $r=0.593$ ,  $N=7$ ,  $p>0.05$ ).

Pearson's correlation coefficient is the lowest for Sales team C team showing a value of 0.118. This result depicts that an insignificant and very weak relationship exist between the supportive leadership behaviour of the sales manager of Sales team C and his/her sales team ( $r=0.118$ ,  $N=6$ ,  $p>0.05$ ).

The tables that follow describe the correlation between the remaining leadership behaviours and motivation of sales teams.

#### 5.4.4.2 Correlation between team leadership and motivation

The Pearson correlation for team leadership behaviour for each of the six sales teams and motivation was run. Team leadership behaviour is correlated for both extrinsic and intrinsic motivation. Table 5.21 below reveals the results of the correlation analysis between team leadership and extrinsic motivation for the various sales teams.

**Table 5.21: Correlations between sales teams for team leadership and extrinsic motivation**

| SALES TEAM |                      |   | Team Leadership     | Extrinsic Motivation |
|------------|----------------------|---|---------------------|----------------------|
| A          | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6          | .253<br>.628<br>6    |
|            | Extrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .253<br>.628<br>6   | 1<br><br>6           |
| B          | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11         | .502<br>.115<br>11   |
|            | Extrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .502<br>.115<br>11  | 1<br><br>11          |
| C          | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6          | .564<br>.244<br>6    |
|            | Extrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .564<br>.244<br>6   | 1<br><br>6           |
| D          | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>7          | .546<br>.205<br>7    |
|            | Extrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .546<br>.205<br>7   | 1<br><br>7           |
| E          | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11         | .713*<br>.014<br>11  |
|            | Extrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .713*<br>.014<br>11 | 1<br><br>11          |
| F          | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>10         | .540<br>.107<br>10   |
|            | Extrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .540<br>.107<br>10  | 1<br><br>10          |

\*. Correlation is significant at the 0.05 level (2-tailed).

Based on Table 5.21, an insignificantly weak positive relationship exists between the team leadership behaviour of the sales manager of Sales team A and the extrinsic motivation of his/her sales team ( $r=0.253$ ,  $N=6$ ,  $p>0.05$ ). Sales team E however, demonstrates the strongest positive relationship between team leadership and motivating the sales team extrinsically that is significant at the two-tailed level ( $r=0.713$ ,  $N=11$ ,  $p<0.05$ ).

Sales teams B, C, and D demonstrate insignificant moderate positive relationships between team leadership and extrinsic motivation.

**Table 5.22: Correlations between sales teams for team leadership and intrinsic motivation**

| SALES TEAM |                      |   | Team Leadership     | Intrinsic Motivation |
|------------|----------------------|---|---------------------|----------------------|
| <b>A</b>   | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6          | .490<br>.324<br>6    |
|            | Intrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .490<br>.324<br>6   | 1<br><br>6           |
| <b>B</b>   | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11         | -.038<br>.911<br>11  |
|            | Intrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | -.038<br>.911<br>11 | 1<br><br>11          |
| <b>C</b>   | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6          | .153<br>.772<br>6    |
|            | Intrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .153<br>.772<br>6   | 1<br><br>6           |
| <b>D</b>   | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>7          | .581<br>.171<br>7    |
|            | Intrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .581<br>.171<br>7   | 1<br><br>7           |
| <b>E</b>   | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11         | .589<br>.057<br>11   |
|            | Intrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .589<br>.057<br>11  | 1<br><br>11          |
| <b>F</b>   | Team Leadership      | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>10         | .300<br>.400<br>10   |
|            | Intrinsic Motivation | Pearson Correlation<br>Sig. (2-tailed)<br>N | .300<br>.400<br>10  | 1<br><br>10          |

According to Table 5.22, Pearson's correlation coefficient ranges between -0.038 and 0.589. Sales team B shows a weak negative relationship ( $r=-0.038$ ) between team leadership and intrinsic motivation. This relationship is insignificant ( $r=-0.038$ ,  $N=11$ ,  $p>0.05$ ).

#### 5.4.4.3 Correlation between autocratic leadership and motivation

Table 5.41 below illustrates the Pearson correlation for autocratic leadership behaviour for each of the six sales teams.

**Table 5.23: Correlations between sales teams for autocratic leadership and motivation**

| SALES TEAM |                       |   | Autocratic Leadership | Motivation              |
|------------|-----------------------|---|-----------------------|-------------------------|
| <b>A</b>   | Autocratic Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6            | .972**<br><br>.001<br>6 |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .972**<br>.001<br>6   | 1<br><br>6              |
| <b>B</b>   | Autocratic Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11           | .592<br>.055<br>11      |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .592<br>.055<br>11    | 1<br><br>11             |
| <b>C</b>   | Autocratic Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6            | .740<br>.093<br>6       |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .740<br>.093<br>6     | 1<br><br>6              |
| <b>D</b>   | Autocratic Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>7            | -.176<br>.705<br>7      |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | -.176<br>.705<br>7    | 1<br><br>7              |
| <b>E</b>   | Autocratic Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11           | .445<br>.170<br>11      |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .445<br>.170<br>11    | 1<br><br>11             |
| <b>F</b>   | Autocratic Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>10           | .532<br>.113<br>10      |
|            | Motivation            | Pearson Correlation<br>Sig. (2-tailed)<br>N | .532<br>.113<br>10    | 1<br><br>10             |

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Based on Table 5.23, Sales team A demonstrates that a significantly strong positive relationship exists between autocratic leadership behaviour and motivation ( $r=0.972$ ,  $N=6$ ,  $p<0.05$ ). Whereas for Sales team B, an insignificant moderately positive relationship exists between autocratic leadership behaviour and motivation ( $r=0.592$ ,

N=11,  $p>0.05$ ). Sales team C exhibits an insignificantly strong positive relationship ( $r=0.740$ , N=6,  $p>0.05$ ) and Sales team D demonstrates an insignificant weak and negative relationship ( $r=-0.176$ , N=7,  $p>0.05$ ). Sales team E has an insignificantly moderate and positive relationship ( $r=0.445$ , N=11,  $p>0.05$ ) between autocratic leadership behaviour and motivation. Finally, Sales team F shows an insignificantly moderate and positive relationship between autocratic leadership and motivation of the sales team ( $r=0.532$ , N=10,  $p>0.05$ ).

#### 5.4.4.4 Correlation between directive leadership and motivation

Table 5.24 illustrates the Pearson correlation for directive leadership behaviour for each of the six sales teams.

**Table 5.24: Correlations between sales teams for directive leadership and motivation**

| SALES TEAM |                      |   | Directive Leadership  | Motivation          |
|------------|----------------------|---|---|---------------------|
| A          | Directive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6  | .962**<br>.002<br>6 |
|            | Motivation           | Pearson Correlation<br>Sig. (2-tailed)<br>N | .962**<br>.002<br>6   | 1<br><br>6          |
| B          | Directive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11   | .158<br>.642<br>11  |
|            | Motivation           | Pearson Correlation<br>Sig. (2-tailed)<br>N | .158<br>.642<br>11  | 1<br><br>11         |
| C          | Directive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>6  | -.075<br>.887<br>6  |
|            | Motivation           | Pearson Correlation<br>Sig. (2-tailed)<br>N | -.075<br>.887<br>6  | 1<br><br>6          |
| D          | Directive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>7  | .685<br>.089<br>7   |
|            | Motivation           | Pearson Correlation<br>Sig. (2-tailed)<br>N | .685<br>.089<br>7   | 1<br><br>7          |
| E          | Directive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>11   | .524<br>.098<br>11  |
|            | Motivation           | Pearson Correlation<br>Sig. (2-tailed)<br>N | .524<br>.098<br>11  | 1<br><br>11         |
| F          | Directive Leadership | Pearson Correlation<br>Sig. (2-tailed)<br>N | 1<br><br>10   | .704*<br>.023<br>10 |
|            | Motivation           | Pearson Correlation<br>Sig. (2-tailed)<br>N | .704*<br>.023<br>10   | 1<br><br>10         |
|            |                      |   | ** . Correlation is significant at the 0.01 level (2-tailed). |                     |
|            |                      |   | * . Correlation is significant at the 0.05 level (2-tailed).  |                     |

There is a highly significant positive and very strong relationship between the directive leadership behaviour of the sales manager and sales team members of Sales team A as presented in Table 5.24 above ( $r=0.962$ ,  $N=6$ ,  $p<0.05$ ). For Sales team B, an insignificant and very weak positive relationship exist between supportive leadership behaviour and motivation ( $r=0.158$ ,  $N=11$ ,  $p>0.05$ ). An insignificant and very weak negative relationship is demonstrated by Sales team C between directive leadership and motivation ( $r= -0.075$ ,  $N=6$ ,  $p<0.05$ ). The results for Sales team D show that an insignificantly positive moderate relationship exist ( $r=0.685$ ,  $N=7$ ,

$p > 0.05$ ), which is similar to Sales team E that also exhibit an insignificant positive moderate relationship between directive leadership behaviour and the motivation of the sales team ( $r = 0.524$ ,  $N = 11$ ,  $p > 0.05$ ). The last team, namely Sales team F, has a significantly strong positive relationship between directive leadership and the sales team's motivation ( $r = 0.704$ ,  $N = 10$ ,  $p < 0.05$ ).

The following section describes the results based on a correlation analysis between the four leadership behaviours and motivation of the sales teams combined.

#### 5.4.4.5 Aggregate correlation between leadership behaviour and motivation

A Pearson's correlation coefficient was run on the composite of the teams to determine to what extent a relationship exists between leadership behaviour and motivation overall. The results of the correlation analysis are depicted in the following tables.

The first table, Table 5.25 illustrates the correlation between supportive leadership behaviour and motivation for all six sales teams combined.

**Table 5. 25: Aggregate correlation between supportive leadership and motivation**

|                       |                     | Supportive Leadership | Motivation |
|-----------------------|---------------------|-----------------------|------------|
| Supportive Leadership | Pearson Correlation | 1                     | .334*      |
|                       | Sig. (2-tailed)     |                       | .017       |
|                       | N                   | 51                    | 51         |
| Motivation            | Pearson Correlation | .334*                 | 1          |
|                       | Sig. (2-tailed)     | .017                  |            |
|                       | N                   | 51                    | 51         |

\*. Correlation is significant at the 0.05 level (2-tailed).

Table 5.25 reveals an  $r$ -value of 0,334, which indicates a positive weak relationship between supportive leadership and motivation. The  $p$ -value ( $p = 0,017$ ) is smaller than 0,05, which indicates a significant correlation between supportive leadership behaviour and the motivation of sales people.

**Table 5.26: Aggregate correlation between directive leadership and motivation**

|                      |                     | Directive Leadership | Motivation |
|----------------------|---------------------|----------------------|------------|
| Directive Leadership | Pearson Correlation | 1                    | .329*      |
|                      | Sig. (2-tailed)     |                      | .018       |
|                      | N                   | 51                   | 51         |
| Motivation           | Pearson Correlation | .329*                | 1          |
|                      | Sig. (2-tailed)     | .018                 |            |
|                      | N                   | 51                   | 51         |

\*. Correlation is significant at the 0.05 level (2-tailed).

Table 5.26 reveals an *r*-value of 0,329, which indicates a weak positive relationship between directive leadership and motivation. The p-value ( $p=0,018$ ) is smaller than 0,05, which indicates a significant correlation between directive leadership behaviour and the motivation of sales people.

**Table 5.27: Aggregate correlation between autocratic leadership and motivation**

|                       |                     | Autocratic Leadership | Motivation |
|-----------------------|---------------------|-----------------------|------------|
| Autocratic Leadership | Pearson Correlation | 1                     | .574**     |
|                       | Sig. (2-tailed)     |                       | .000       |
|                       | N                   | 51                    | 51         |
| Motivation            | Pearson Correlation | .574**                | 1          |
|                       | Sig. (2-tailed)     | .000                  |            |
|                       | N                   | 51                    | 51         |

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 5.27 reveals an *r*-value of 0,574, which indicates a moderate positive relationship between autocratic leadership and motivation. The p-value ( $p=0,000$ ) is lower than 0,05, which indicates a significant correlation between autocratic leadership behaviour and the motivation of sales people.

**Table 5.28: Aggregate correlation between team leadership and extrinsic motivation**

|                      |                     | Team Leadership | Extrinsic motivation |
|----------------------|---------------------|-----------------|----------------------|
| Team Leadership      | Pearson Correlation | 1               | .525**               |
|                      | Sig. (2-tailed)     |                 | .000                 |
|                      | N                   | 51              | 51                   |
| Extrinsic Motivation | Pearson Correlation | .525**          | 1                    |
|                      | Sig. (2-tailed)     | .000            |                      |
|                      | N                   | 51              | 51                   |

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 5.28 reveals an  $r$ -value of 0,525, which indicates a moderate positive relationship between team leadership and extrinsic motivation. The  $p$ -value ( $p=0,000$ ) is smaller than 0,05, which indicates a highly significant correlation between team leadership and the extrinsic motivation of the aggregate sales teams.

**Table 5.29: Aggregate correlation between team leadership and intrinsic motivation**

|                      |                     | Team Leadership | Intrinsic Motivation |
|----------------------|---------------------|-----------------|----------------------|
| Team Leadership      | Pearson Correlation | 1               | .220                 |
|                      | Sig. (2-tailed)     |                 | .122                 |
|                      | N                   | 51              | 51                   |
| Intrinsic Motivation | Pearson Correlation | .220            | 1                    |
|                      | Sig. (2-tailed)     | .122            |                      |
|                      | N                   | 51              | 51                   |

Table 5.29 reveals an  $r$ -value of 0,220, which indicates a positive weak relationship between team leadership and intrinsic motivation. The  $p$ -value ( $p=0,122$ ) is larger than 0,05, which indicates an insignificant correlation between team leadership behaviour and the intrinsic motivation of sales teams.

In summarising the aggregate correlation coefficients for all four leadership behaviours and the extent to which it motivates all six sales teams, the following table is compiled.

**Table 5.30: Summary of aggregate correlations between leadership behaviour and motivation.**

| Leadership behaviour type and correlated motivation | Pearson's correlation coefficient ( <i>r</i> ) | Significance (P-value)       |
|---|--|------------------------------|
| Supportive leadership and motivation                | <i>r</i> = 0.334                               | p=0.017 (Significant)        |
| Directive leadership and motivation                 | <i>r</i> = 0.329                               | p=0.018 (Significant)        |
| Autocratic leadership and motivation                | <i>r</i> = 0.574                               | p=0.000 (Highly significant) |
| Team leadership and Extrinsic motivation            | <i>r</i> = 0.525                               | p=0.000 (Highly significant) |
| Team leadership and Intrinsic motivation            | <i>r</i> = 0.220                               | p=0.122 (Insignificant)      |

The strongest relationship among the various leadership behaviours exists between autocratic leadership and the extent to which it motivates the sales teams within the entire sales force. Table 5.30 presents evidence of this. The second strongest relationship is the extent to which team leadership behaviour is related to extrinsic motivation. Both these relationships are highly significant. There is an insignificant and weak positive relationship between team leadership and intrinsic motivation as a whole.

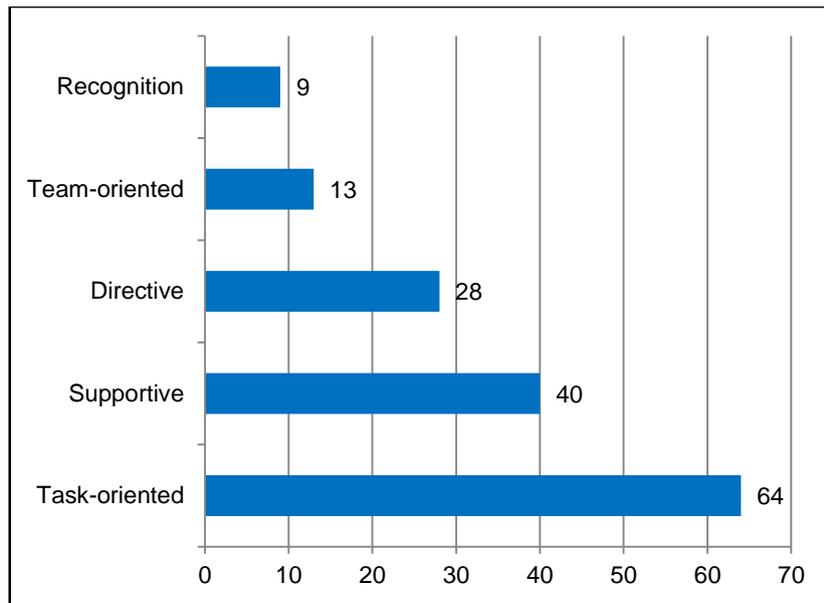
In summary, Section 5.4 presents the findings to achieve the second, third and fourth objectives of this study. The second objective was to identify the leadership behaviour of sales managers. The one-way ANOVA was utilised to achieve this objective, whereby the means for each sales team were considered. This statistical test also measured whether differences exist between and within the sales teams. The means based on the perceptions of sales managers were also considered to ascertain whether a difference in perception exists between sales teams and sales managers for the four leadership behaviours. A gap analysis was finally conducted to measure the difference in perception between sales managers and sales teams. The fourth objective was to establish the extent to which a relationship exists between the leadership behaviour of sales managers and the motivation of sales teams. This relationship was examined using a Pearson correlation coefficient (*r*).

The fifth objective was to determine which leadership behaviours may be related to sales team motivation. This objective was analysed qualitatively by means of a content analysis. The results from the qualitative component of the study are presented in section 5.5 below.

## **5.5 FINDINGS FROM THE CONTENT ANALYSIS**

The final question on the questionnaires contains an open-ended question. The question was posed to both groups of respondents, namely the sales team members and their respective sales managers. The sales team members were asked to **“Please describe in your own words, which types of leadership behaviours and actions from your sales manager you believe will motivate you when a new clone is launched?”** The sales managers were asked the same question as follows: **Please describe in your own words, which types of leadership behaviours and actions you can exert that will motivate your sales team when a clone is launched?**

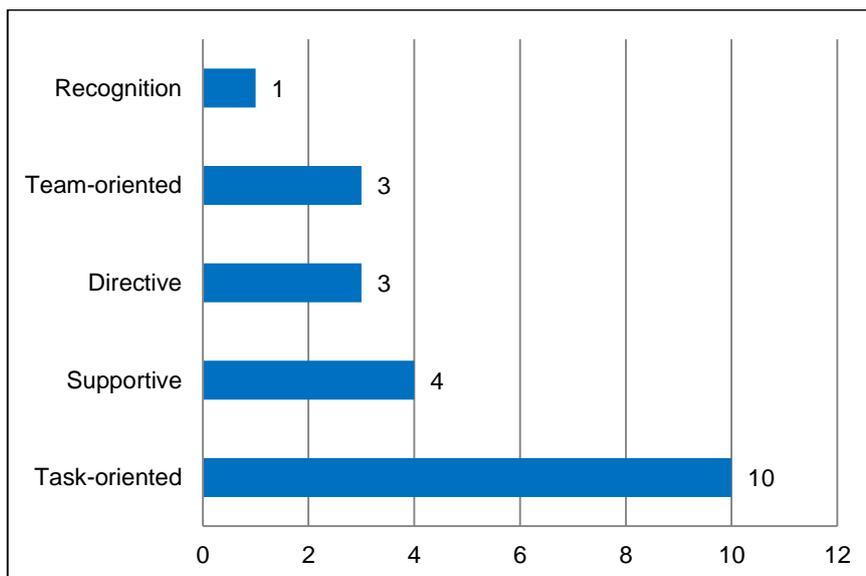
The key themes were identified for each sales team, which is attached as APPENDIX 11. The combined results of the sales teams’ key themes, as well as a chart revealing the key themes based on the sales managers’ perceptions are also included in this section. Figure 5.7 provides a summary of the key themes as an aggregate of all six sales teams.



**Figure 5.7: Bar chart of the summary of key themes across all six sales teams**

As can be viewed from figure 5.7, task-oriented leadership behaviour ranked as the highest theme as it appears sixty-four times in the responses. Supportive leadership ranked as the second highest leadership behaviour with a frequency of four recurrences. Sales teams ranked directive leadership as third highest, followed by team leadership. In last position is the recognition that sales teams require from their sales managers, appearing nine times.

The findings of the sales managers' perceptions are presented next in Figure 5.8.



**Figure 5.8: Bar chart of the summary of key themes by the sales managers**

The sales managers ranked task-oriented behaviour as the highest theme they perceive will motivate the sales teams when a clone is launched. Task-oriented leadership behaviour appeared at a frequency of 10 times. Supportive leadership behaviour ranked second place and appeared at a frequency of four times. Directive- and team-oriented behaviour was equally ranked in third position and lastly, recognition, which appeared at a frequency of one time.

## **5.6 CHAPTER CONCLUSION**

Chapter 5 discussed the findings of this study. A total of 51 valid responses were obtained from the sales teams and six from the sales managers. The findings were reported by using both inferential and descriptive statistics. The inferential statistics reported the findings of the ANOVA. The ANOVA revealed the means for each sales team to determine the leadership behaviour of sales managers based on the perception of sales teams. An ANOVA was also run to ascertain the mean based on the perceptions of sales managers. A gap analysis was conducted to determine the difference in mean between the perceptions of sales teams and sales managers. The descriptive statistics yielded the results through a correlation analysis. Pearson's correlation coefficient ( $r$ ) was run to determine to what extent a relationship exist between leadership behaviour of sales managers and motivation of sales teams during the implementation of strategic alliances. Finally, key themes were identified that may enable sales team motivation during the implementation of strategic alliance strategies.

A discussion of the results and recommendations for this study are presented in Chapter 6.

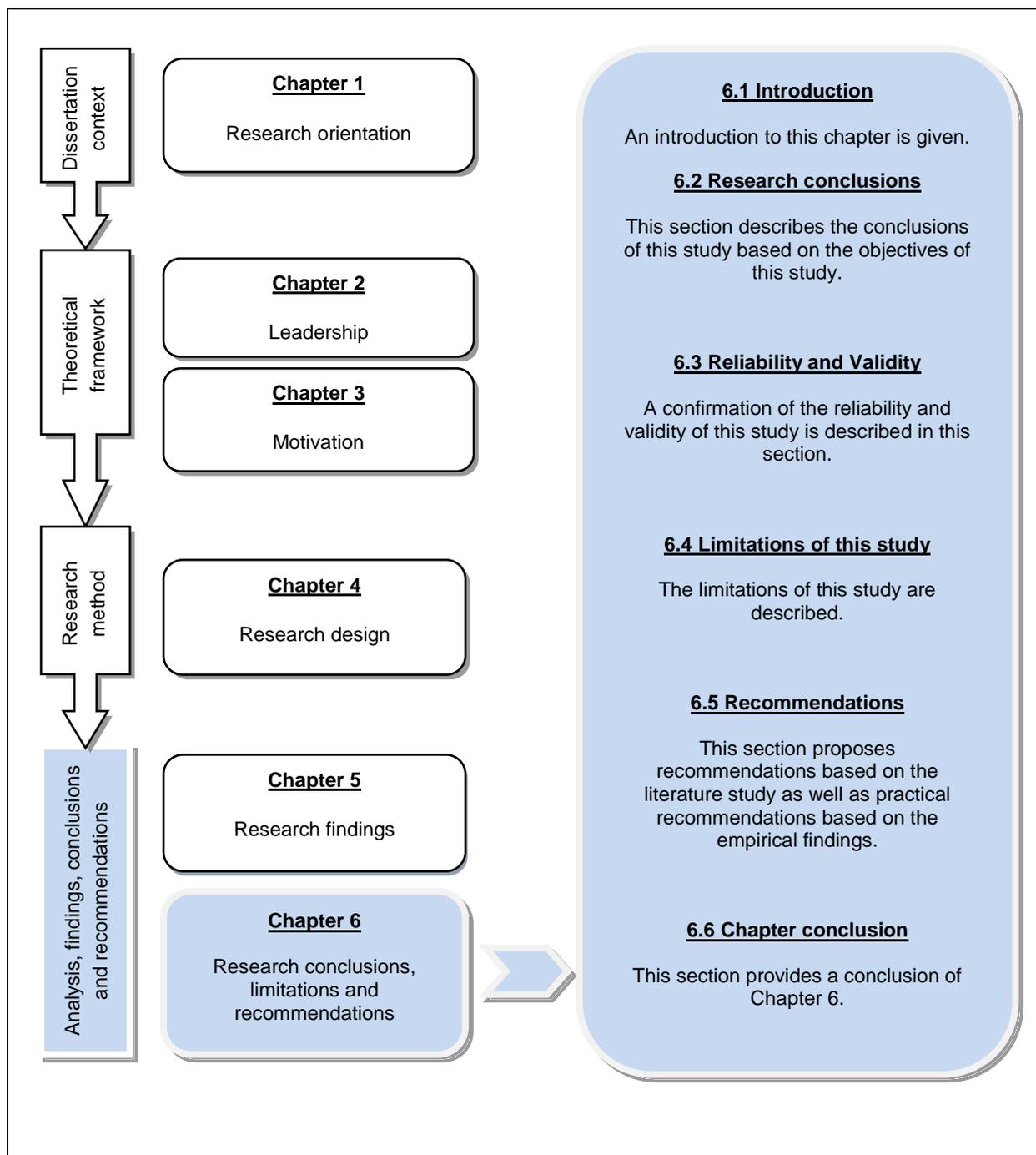
## **6.1 INTRODUCTION**

This chapter presents a discussion on the conclusions of findings aligned to the objectives that were stated in Chapter 1. These conclusions are based on the findings that were presented in Chapter 5. In addition, Chapter 6 discusses the reliability, validity, limitations and recommendations for future research and implications of the findings for practitioners.

The purpose of this study was to investigate to what extent a relationship exists between the leadership behaviour of sales managers and the motivation of sales teams during the implementation of strategic alliances within a pharmaceutical organisation in South Africa. The first objective was to review the concepts of leadership and motivation against previous literature on leadership that is associated with the motivation of followers. The first objective was addressed in Chapters 2 and 3, which provides a literature review on leadership and motivation respectively.

The second objective aimed to identify the leadership behaviour of sales managers and whether a difference exists in perceptions within sales teams and between sales teams and sales managers. The third objective was to measure the differences in perceptions of leadership behaviour. The fourth objective investigated to what extent a relationship exists between the current leadership behaviour of sales managers and sales team motivation based on the perceptions of sales teams. Finally, the determinants into the leadership behaviours and its association with the motivation of sales teams during the implementation of strategic alliances were identified. Chapter 4 provided a discussion of the research methodology that aimed to achieve the second, third and fourth objectives of this study. Chapter 5 reported on the findings of this study.

An overview of Chapter 6 is highlighted in Figure 6.1 as follows:



**Figure 6.1: Diagrammatical layout of Chapter 6**

(Source: Author)

## **6.2 RESEARCH CONCLUSIONS**

The conclusions were drawn based on the literature study and the empirical findings of the study, which are aligned with the objectives.

### **6.2.1 Conclusions based on the findings aligned to the first objective**

The first objective was to review the concepts of leadership and motivation against previous literature that is required to motivate followers.

The definitions of the two constructs within the context of this study, namely leadership and motivation were given in Chapter 2 (section 2.5.1) and Chapter 3 (section 3.2.1) respectively. Findings based on studies conducted within the pharmaceutical industry indicate that leadership or good supervision is viewed as a key motivating factor for sales people. The theoretical findings in section 3.2.7 suggest that leadership behaviour plays a mediating role in follower motivation, which indicates that a relationship exist between a leader's leadership behaviour and the motivation of followers. Based on the literature, it was anticipated that the objectives of this study would produce similar findings.

### **6.2.2 Conclusions based on the findings aligned to the second objective**

The second objective was to identify the leadership behaviour of sales managers.

The findings of this study indicate that all sales teams agree that their sales managers exhibit supportive, directive and team leadership behaviour. The findings, however, show that sales teams slightly disagree that their respective sales managers exert autocratic leadership behaviour. The findings highlighted a difference in the perceptions of the sales teams regarding leadership behaviour as mentioned above. It could be inferred that traditional leadership behaviours such as autocratic leadership are perceived to be lower due to the organisational culture or possible policies within organisations that guide certain behaviours. In addition,

based on the clustering of sales people into teams, there may be a more participative approach within sales teams to enhance team effectiveness, whereby the need to include the feedback from sales teams is perceived as essential inputs for sales managers into decision-making processes. The leadership behaviours are discussed in Chapter 2 and are based on the views of Hersey and Blanchard (1969) on directive and supportive leadership behaviour as described in section 2.5.4.3, the view of Morgeson, DeRue and Karam (2009) on team leadership described in section 2.5.5 and Tannenbaum and Schmidt 's (1958) clarification of autocratic leadership in section 2.4.4.

### 6.2.3 Conclusions based on the findings aligned to the third objective

The third objective was to measure the differences in perceptions of leadership behaviour between the six sales teams, as well as between each sales team and their respective sales manager. There is evidence that differences in variance between the six sales teams exists for directive, team and autocratic leadership behaviour. However, no difference in variance between the six sales teams was evident for supportive leadership behaviour. The findings and inferences drawn from the above discussions are based upon findings derived from the perceptions of sales teams. The findings included the perceptions of sales managers and evidence suggests that a slight variance exists in perceptions of the measured leadership behaviours between the sales managers and sales teams. The data presented in the gap analysis in section 5.4.3, and Figure 5.7, reveal that the largest variance was evident for supportive leadership behaviour, where the sales managers perceive that they exhibit greater supportive leadership behaviour than what the sales teams perceive. The smallest variance exists for directive leadership behaviour. However, for autocratic leadership behaviour, sales managers perceive that they are less autocratic in their behaviour than how the sales teams perceive them to be. In addition, sales managers may, due to their beliefs of basic management principles or habits hold on to the traditional notion of leadership as a management function instead of combining management principles with leadership principles, which may explain why sales teams perceive sales managers as more autocratic and less

supportive, directive and team leadership oriented. The evidence therefore suggests that a minor difference does exist in perceptions of leadership behaviour between sales teams and sales managers.

#### 6.2.4 Conclusions based on the findings aligned to the fourth objective

The fourth objective was to investigate to what extent a relationship exists between leadership behaviour of sales managers and sales team motivation based on perceptions of sales teams.

The findings related to the above objective is presented in section 5.4 and summarised in Table 5.30 as an aggregate result. The findings reveal that the strongest relationship among the various leadership behaviours exists between autocratic leadership and the extent to which it motivates the sales teams. Despite the fact that sales teams slightly disagree that their respective sales managers employ autocratic leadership behaviour, it may appear that, when autocratic leadership behaviour is exerted, it may still be effective in certain situations, such as the situation of implementing a strategic alliance strategy. Such a strategy may require aggressive actions and this behaviour may be an effective match when actions require urgency and discipline. Despite the drawbacks of autocratic leadership behaviour, it may positively induce sales teams to accomplish tasks with a sense of urgency that may relate to motivation. The findings also suggest that leaders and managers may have flexibility in their behaviour and that no single leadership behaviour is effective in all situations.

What emerged as the next strongest relationship is the extent to which team leadership behaviour has a relationship with extrinsic motivation. The findings suggest that sales team members may motivate each other towards achieving team goals. Each member serves as an external source of motivation. Both the relationships between autocratic leadership and motivation, as well as between team leadership and extrinsic motivation are moderate and highly significant.

There is an insignificant and weak positive relationship between team leadership and intrinsic motivation as a whole. The relationship between supportive leadership and

motivation, as well as between directive leadership and motivation is weak and statistically significant.

The above relationships are demonstrated as an aggregate. However, when considering each sales team, it is important to note that the relationship between leadership behaviour of sales managers and the motivation of sales teams varies for each team. For Sales team A, it was found that a very strong and highly significant relationship exists between both autocratic and directive leadership of sales managers and motivation of sales teams (refer to Tables 5.23 and Table 5.24). For the same sales team, an insignificantly weak relationship exists between team leadership and extrinsic motivation (refer to Table 5.21). The evidence for Sales team A suggests that they rely strongly on the direction and guidance of their sales manager. The sales team members forming Sales team A are content to receive instruction from their sales manager and do so without question. The findings also suggest that external factors emanating from the teammates in strategy implementation do not provide adequate levels of motivation for sales team members in Sales team A, because emphasis is placed more prominently on the sales manager's direction to enhance motivation of the sales team. This finding relates to Herzberg's two-factor theory discussed in section 3.2.2.2, which relates to hygiene factors and motivators. Herzberg, Mausner and Snyderman (1959) classify the role of a supervisor as a hygiene factor that motivates followers.

The findings for Sales team A may be viewed as a unique case, as the data demonstrates that varying strengths of association between leadership behaviour of sales managers and sales team motivation exist among the various sales teams. The differences in the strengths of the relationship may be because each sales team presents a unique mix of people with varying personalities, work experience and age groups. The various theories on motivation examined in Chapter 3 confirm these insights into the diverse levels and dimensions of motivation, which explains why each individual is motivated differently. In addition, each sales manager has his/her own unique management style that may have an influence on their sales teams' motivation.

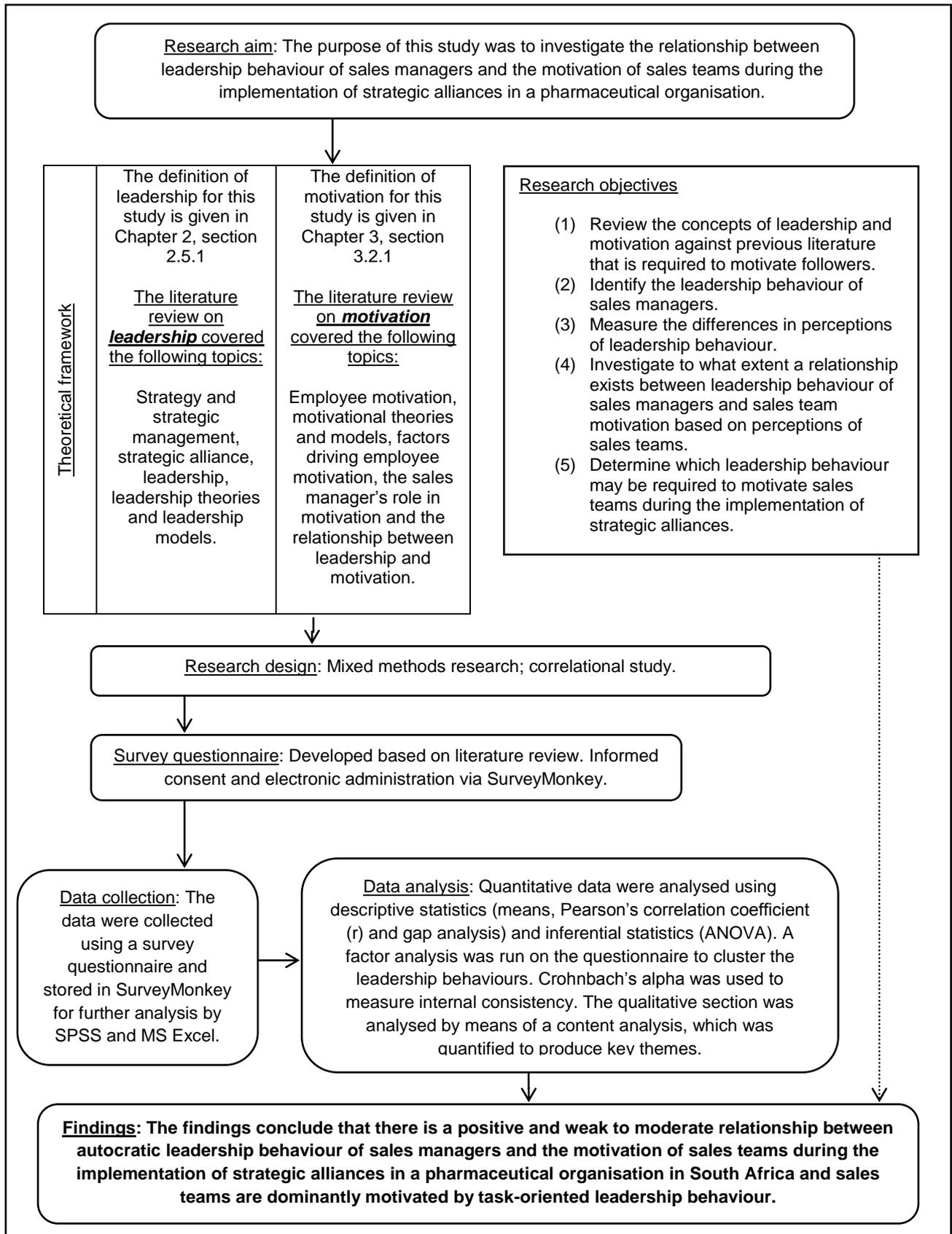
### 6.2.5 Conclusions based on the findings aligned to the fifth objective

The fifth objective was to determine which leadership behaviours are required to motivate sales teams during the implementation of strategic alliances.

In comparing the findings of the two groups of respondents, both groups perceive task-oriented leadership behaviour as the most important behaviour that may motivate sales teams. Both groups of respondents also placed supportive leadership behaviour as the second most important leadership behaviour, followed by directive and team-oriented leadership behaviour. Lastly, both groups perceived recognition from sales managers as an important motivator. The findings of the content analysis show that there are similarities in perceptions between sales teams and sales managers on leadership behaviours that may motivate sales teams during the implementation of strategic alliance strategies. The findings concur with the notion of Jobber and Lee (1994), who points out in section 3.2.5, that sales managers should evaluate the levels of motivation that sales people require and then identify the appropriate techniques that will motivate sales people. Effective leadership and an in-depth knowledge of each individual sales team member will equip sales managers with the knowledge on how to motivate sales team members.

However, findings of this study indicate that sales managers are well attuned to the leadership behaviours that may motivate sales teams for specific purposes of implementing strategic alliance strategies.

The process followed to achieve the purpose of this study is depicted in Figure 6.2 below which illustrates the flow of this study from Chapters 1 to 6, and confirms the achievement of objectives.



**Figure 6.2: Diagrammatical overview of this study**

(Source: Author)

### **6.3 RELIABILITY AND VALIDITY**

Cronbach alpha was used to measure the internal consistency of the survey questionnaire. Table 4.4, under section 4.4.1.3 in Chapter 4 explains the findings of the factor analysis. The alpha coefficient of the questionnaire was 0,939, which shows an excellent overall level of internal consistency.

A possible threat to internal validity was the researcher's own perceptions on the subject matter. Care was taken by the researcher to remain objective and unbiased.

External validity is limited due to the fact that the population represents a single pharmaceutical organisation. The study could be extended to involve more pharmaceutical organisations. Face validity was undertaken by the organisation's Human resource manager, who is responsible for leadership development within the organisation. The human resource manager agreed that the questions drawn were pertinent to the subject matter and the topic under investigation. The credibility of the findings was enhanced due to the researcher's knowledge of the organisational culture, as well as the researcher's familiarity of the organisational climate.

Findings of this study were compared to previous studies conducted in similar organisations, as well as other pharmaceutical organisations. This study may be transferred as a thick description of the information within context was provided. A detailed description of the methodology was presented, making allowance for the results to be repeated and scrutinised.

### **6.4 LIMITATIONS OF THIS STUDY**

As with all research studies, there may be limitations in this particular study. Despite the efforts to ensure that the study was conducted with due consideration of the research design best suited to achieve the objectives of this study, as well as criteria for ensuring quality, certain limitations are noted. A discussion of the limitations of this study is presented next and reflects on the literature study as well as the empirical study.

#### 6.4.1 Limitations of the literature study

The literature consulted did not include theories that investigated the relationship between leadership behaviour and motivation of sales teams within the South African pharmaceutical industry, since the researcher could not find any studies relating to leadership behaviour of sales managers and motivation of sales teams in this particular context. In addition, no studies could be found on literature that measures the relationship between leadership and motivation during the implementation stage of a strategy in a pharmaceutical context. Further to the specificity of measuring this relationship during a specific stage of the strategic management process, no literature was found that explains this relationship when implementing strategic alliance as the strategic vehicle in the pharmaceutical industry.

#### 6.4.2 Limitations of the empirical study

The population of this study comprised respondents from one pharmaceutical organisation. As a result, the respondents' perceptions may have been influenced by internal beliefs, organisational culture and general perceptions about management behaviour.

This study was a quantitative study with a small qualitative component. The use of a Likert scale to draw conclusions may have impeded the quality and richness of the data collected. A mixed method approach would have added greater insight and depth to the information gathered from the respondents.

The scope of the study was limited to a single pharmaceutical organisation in South Africa. Consequently generalisations cannot be made to all sales teams in the pharmaceutical industry in South Africa.

It is possible that respondents did not provide their true opinions and attempted to complete this survey quickly. The use of SurveyMonkey may have overcome this limitation, as it is easy and quick to use.

## **6.5 RECOMMENDATIONS**

This section provides theoretical and practical recommendations with suggestions for future research in the pharmaceutical industry.

### **6.5.1 Theoretical recommendations**

Amongst the four leadership behaviours measured in this study, team leadership is considered to be contemporary leadership behaviour, because in contemporary leadership behaviour, leadership is transferred to other members of the team. The organisation, Sanofi, where this study was conducted, is a traditional organisation with a traditional linear, top-down structure. The application of contemporary leadership behaviour to a traditional, pharmaceutical organisation may be tested for further research.

### **6.5.2 Practical recommendations regarding the empirical study**

The findings of this study confirm the earlier work of Ratui, Purcareea, Popa, Purarea, Purcareea, Lupuleasa and Boda, 2011 in section 3.2.6, which postulates that motivating sales teams are essential during the implementation of strategic alliances and that sales managers in the pharmaceutical industry need to motivate and engage pharmaceutical sales people. Sales managers should consider guidelines, such as the guidelines presented in section 3.2.6 by Robbins, Odendaal and Roodt (2007) that may aid in enhancing the motivation levels of sales team members.

The differences in the extent to which sales managers' leadership behaviour motivates sales teams should be acknowledged by sales managers and the organisation as a whole. Sales managers should develop a mechanism in which they find a fit between his/her leadership behaviour and sales team members' motivation, especially during the implementation of a strategic course. Actions may include perceptual workshops or training in order to align sales managers' perceptions on their leadership behaviour with the sales teams' perceptions.

Due to the limitation of using a Likert scale questionnaire, future studies may include qualitative research to enhance the richness and quality of the data.

In addition, further research should be conducted with different sales teams from various other pharmaceutical organisations in South Africa in order for generalisations to be made.

## **6.6 CHAPTER CONCLUSION**

The purpose of this study was achieved by investigating the relationship between leadership behaviour of sales managers and motivation of sales teams during the implementation of strategic alliances in a pharmaceutical organisation. The findings of this study reveal that a weak to moderate relationship exist between the leadership behaviour of sales managers and the motivation of sales teams during the implementation of strategic alliances in a pharmaceutical organisation in South Africa. Chapter 6 discussed the conclusions, limitations and recommendations of this study based on the objectives stated in Chapter 1.

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## APPENDIX 1:

### QUESTIONNAIRE AIMED AT SALES TEAMS

This survey is being conducted for a research investigation for the fulfillment of requirements for a Master's Degree in Commerce (M.Com) in Business Management with UNISA's College of Economic and Management Science. The researcher, Lamantha Ahmed, is investigating the relationship between leadership behaviour of sales managers and motivation of sales people during the implementation of strategic alliance.

Responses to this survey will be strictly confidential and will be analysed solely by the researcher and a statistician. The results of the survey will not be distributed to the company or any single individual.

#### **Instructions:**

- The survey should take 20 - 30 minutes
- In order to protect your identity, please do not write your name on the questionnaire.
- Click on the link, which contains a hyperlink which will open up a web-based survey system (SurveyMonkey).
- Please complete all sections (one to four).
- Place an "X" in the box that best represents your view
- Please complete by 30 April 2014.

Your valuable time and input is sincerely appreciated.

Should you have any queries or comments, please do not hesitate to contact me.

#### **Lamantha Ahmed**

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|  |
|--|
| <b>SECTION A: BIOGRAPHICAL INFORMATION</b> |
|--|

This section requires information on your demographic/biographic profile. Please indicate and tick the relevant box pertaining to you.

**Gender**

|        |  |
|--------|--|
| Male   |  |
| Female |  |

**Ethnic group**

|                        |  |
|------------------------|--|
| Indian                 |  |
| African                |  |
| White                  |  |
| Coloured               |  |
| Prefer not to indicate |  |

**Age**

|               |  |
|---------------|--|
| < 25 years    |  |
| 25– 30 years  |  |
| 31– 39 years  |  |
| 40 – 49 years |  |
| 50 – 59 years |  |
| >60 years     |  |

**Years of pharmaceutical sales experience**

|                    |  |
|--------------------|--|
| Less than 6 months |  |
|--------------------|--|

|                    |  |
|--------------------|--|
| 6 months to 1 year |  |
| 1 – 5 years        |  |
| 6 – 10 years       |  |
| 11 – 15 years      |  |
| 16 – 20 years      |  |
| More than 20 years |  |

**How long have you been reporting to your Sales manager?**

|                        |  |
|------------------------|--|
| Less than three months |  |
| More than three months |  |

**Which sales team/territory do you form part of?**

|   |  |
|---|--|
| Johannesburg East and South             |  |
| Johannesburg North and West, Free State |  |
| Northern Gauteng (Pretoria)             |  |
| KwaZulu Natal – Inland and Coast        |  |
| Western and Eastern Cape                |  |
| Specialist care                         |  |

**How would you rate your relationship with your Sales manager?**

|         |  |
|---------|--|
| Poor    |  |
| Neutral |  |
| Good    |  |

|                  |
|------------------|
| <b>SECTION B</b> |
|------------------|

The following questions are aimed at determining your perceptions of your sales manager's leadership behaviour.

Please complete this section by selecting the number that reflects the degree to which you agree or disagree with each statement. There is no right or wrong answer – only your personal reactions. It is important to be as honest as possible in your responses.

- 1- Strongly disagree
- 2- Disagree
- 3- Slightly Disagree
- 4- Slightly Agree
- 5- Agree
- 6- Strongly Agree

Theme 1: Your manager's ability to make allowance for your team to work in a cohesive manner that will benefit your team.

- |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 1. My manager encourages and coaches me to identify and solve problems the team may experience when launching a new clone.  | 1 | 2 | 3 | 4 | 5 | 6 |
| 2. My manager effectively communicates and explains changes in the pharmaceutical industry and how it will affect the team. | 1 | 2 | 3 | 4 | 5 | 6 |
| 3. My manager effectively offers solutions after he/she clearly explained possible threats in the pharmaceutical industry.  | 1 | 2 | 3 | 4 | 5 | 6 |
| 4. My manager encourages me to achieve high-performance goals by planning activities that allows me to                      | 1 | 2 | 3 | 4 | 5 | 6 |

work with my colleagues.

5. My manager encourages emotional control by fostering a healthy emotional climate, especially during the launch of a new clone. 1 2 3 4 5 6
6. When launching a new clone, my manager encourages me to have regular team meetings to plan activities. 1 2 3 4 5 6
7. My manager requires of me to plan activities that will focus on key performance areas only. 1 2 3 4 5 6
8. When planning team meetings, my manager feels comfortable that I can clarify the roles of myself and my colleagues clearly. 1 2 3 4 5 6
9. My manager accepts feedback that is task-focused from everyone in the team. 1 2 3 4 5 6
10. My manager offers constructive suggestions when he/she provides feedback on the progress made when clones are launched. 1 2 3 4 5 6
11. My manager vocalises his/her satisfaction when I demonstrate success in sales results when a new clone is launched 1 2 3 4 5 6

Theme 2: Your manager's ability to provide you with the necessary support to launch clones effectively

12. My manager recognises my efforts to ensure the successful launch of a 1 2 3 4 5 6

new clone.

- |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 13. Oftentimes, my manager involves me when he/she tackles a new project.                                     | 1 | 2 | 3 | 4 | 5 | 6 |
| 14. When a new clone is launched, my manager requests my input on the best tactics to follow.                 | 1 | 2 | 3 | 4 | 5 | 6 |
| 15. My manager asks for my input when he/she has to make decisions pertaining to the launch of a new clone.   | 1 | 2 | 3 | 4 | 5 | 6 |
| 16. My manager actively listens to my suggestions on the best tactics to follow when launching a new product. | 1 | 2 | 3 | 4 | 5 | 6 |
| 17. My manager supports my decisions to launch a new clone successfully.                                      | 1 | 2 | 3 | 4 | 5 | 6 |
| 18. Whenever I am demotivated, my manager encourages me to achieve my goals in launching a new clone.         | 1 | 2 | 3 | 4 | 5 | 6 |

|   |
|---|
| Theme 3: Your manager's ability to provide you with clear direction |
|---|

- |  |   |   |   |   |   |   |
|--|---|---|---|---|---|---|
| 19. My manager encourages me to interact with all role players and staff members to ensure the successful launch of a clone. | 1 | 2 | 3 | 4 | 5 | 6 |
| 20. My manager schedules meetings with me to give me tasks and instructions related to new product launches.                 | 1 | 2 | 3 | 4 | 5 | 6 |
| 21. My manager believes that I should not question the judgement of superiors when a new clone is launched.                  | 1 | 2 | 3 | 4 | 5 | 6 |

- |  |   |   |   |   |   |   |
|--|---|---|---|---|---|---|
| 22. My manager requests feedback from me regarding activities I implemented to launch a new clone.             | 1 | 2 | 3 | 4 | 5 | 6 |
| 23. My manager is always available to solve problems I encounter with new clone launches.                      | 1 | 2 | 3 | 4 | 5 | 6 |
| 24. When my manager assigns work to me, he/she ensures that I understand how he/she wants it to be done.       | 1 | 2 | 3 | 4 | 5 | 6 |
| 25. When launching a new clone, my manager expects me to follow directions without question.                   | 1 | 2 | 3 | 4 | 5 | 6 |
| 26. My manager makes most of my work-related decisions for me when a new clone is launched.                    | 1 | 2 | 3 | 4 | 5 | 6 |
| 27. My manager identifies my strengths and uses it to develop competencies.                                    | 1 | 2 | 3 | 4 | 5 | 6 |
| 28. My manager often motivates me as I find it difficult to be motivated during periods of new clone launches. | 1 | 2 | 3 | 4 | 5 | 6 |

|                  |
|------------------|
| <b>SECTION C</b> |
|------------------|

This section is aimed to identify whether you are motivated by the leadership behaviour of your sales manager:

- |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 29. I am motivated when my manager encourages and coaches me to identify and solve problems the team may experience when launching a new clone. | 1 | 2 | 3 | 4 | 5 | 6 |
|---|---|---|---|---|---|---|

30. It encourages me when my manager effectively communicates changes in the pharmaceutical industry and how it will affect the team. 1 2 3 4 5 6
31. It pleases me when my manager effectively offers solutions after he/she clearly explained possible threats in the pharmaceutical industry. 1 2 3 4 5 6
32. It stimulates me when my manager encourages me to achieve high-performance goals by planning activities that allows me to work with my colleagues. 1 2 3 4 5 6
33. It motivates me when my manager encourages emotional control by fostering a healthy emotional climate, especially during the launch of a new clone. 1 2 3 4 5 6
34. My motivation is highest when my manager encourages me to have regular team meetings to plan activities. 1 2 3 4 5 6
35. I feel empowered when my manager requires of me to plan activities that will focus on key performance areas only. 1 2 3 4 5 6
36. I feel confident when my manager feels comfortable that I can clarify the roles of myself and my colleagues clearly. 1 2 3 4 5 6
37. It motivates me when my manager accepts feedback that is task-focused from everyone in the team. 1 2 3 4 5 6

- |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 38. I am satisfied when my manager offers constructive suggestions when he/she provides feedback on the progress made when clones are launched.     | 1 | 2 | 3 | 4 | 5 | 6 |
| 39. The fact that my manager vocalises his/her satisfaction when I demonstrate success in sales results when a new clone is launched, motivates me. | 1 | 2 | 3 | 4 | 5 | 6 |
| 40. I find it rewarding when my manager recognises my efforts to ensure the successful launch of a new clone.                                       | 1 | 2 | 3 | 4 | 5 | 6 |
| 41. I feel empowered when my manager involves me when he/she tackles a new project.   | 1 | 2 | 3 | 4 | 5 | 6 |
| 42. I feel recognised when my manager requests my input on the best tactics to follow when a clone is launched.                                     | 1 | 2 | 3 | 4 | 5 | 6 |
| 43. I am stimulated when my manager asks for my input when he/she has to make decisions pertaining to the launch of a new clone.                    | 1 | 2 | 3 | 4 | 5 | 6 |
| 44. It encourages me knowing that my manager actively listens to my suggestions on the best tactics to follow when launching a new product.         | 1 | 2 | 3 | 4 | 5 | 6 |
| 45. It motivates me when my manager supports my decisions to launch a new clone successfully.   | 1 | 2 | 3 | 4 | 5 | 6 |
| 46. It satisfies me knowing that whenever I am demotivated, my manager encourages me to achieve my goals in launching a new clone.                  | 1 | 2 | 3 | 4 | 5 | 6 |

47. I am pleased when my manager encourages me to interact with all role players to ensure the successful launch of a clone. 1 2 3 4 5 6
48. I find it rewarding when my manger schedules meetings with me to give me tasks and instructions related to new product launches. 1 2 3 4 5 6
49. It pleases me when my manager believes that I should not question the judgement of superiors when a new clone is launched. 1 2 3 4 5 6
50. I am motivated when my manager requests feedback from me regarding activities I implemented to launch a new clone. 1 2 3 4 5 6
51. I am satisfied when my manager is always available to solve problems I encounter with new clone launches. 1 2 3 4 5 6
52. It motivates me when my manager assigns work to me and ensures that I understand how he/she wants it to be done. 1 2 3 4 5 6
53. It stimulates me knowing my manager expects me to follow directions without question. 1 2 3 4 5 6
54. I am pleased by my manager making most of my work-related decisions for me when a new clone is launched. 1 2 3 4 5 6
55. I am motivated when my manager identifies my strengths and uses it to develop competencies. 1 2 3 4 5 6



## APPENDIX 2:

### QUESTIONNAIRE AIMED AT SALES MANAGERS

This survey is being conducted for a research investigation for the fulfillment of requirements for a Master's Degree in Commerce (M.Com) in Business Management with UNISA's College of Economic and Management Science. The researcher, Lamantha Ahmed, is investigating the relationship between leadership behaviour of sales managers and motivation of sales people during the implementation of a strategic alliance.

Responses to this survey will be strictly confidential and will be analysed solely by the researcher and a statistician. The results of the survey will not be distributed to the company or any single individual.

#### **Instructions:**

- The survey should take 20 - 30 minutes
- In order to protect your identity, please do not write your name on the questionnaire.
- Click on the link, which contains a hyperlink which will open up a web-based survey system (Survey Monkey).
- Please complete all sections (one to four).
- Place an "X" in the box that best represents your view
- Please complete by 30 April 2014.

Your valuable time and input is sincerely appreciated.

Should you have any queries or comments, please do not hesitate to contact me.

#### **Lamantha Ahmed**

Cell: 082 4499 732

Email: [lamantha.ahmed@sanofi.com](mailto:lamantha.ahmed@sanofi.com)

### SECTION A: BIOGRAPHICAL INFORMATION

This section requires information on your demographic/biographic profile. Please indicate and tick the relevant box pertaining to you.

**Gender**

|        |  |
|--------|--|
| Male   |  |
| Female |  |

**Ethnic group**

|                        |  |
|------------------------|--|
| Indian                 |  |
| African                |  |
| White                  |  |
| Coloured               |  |
| Prefer not to indicate |  |

**Age**

|               |  |
|---------------|--|
| < 25 years    |  |
| 25– 30 years  |  |
| 31– 39 years  |  |
| 40 – 49 years |  |
| 50 – 59 years |  |
| >60 years     |  |

**Years of tenure with Sanofi**

|                    |  |
|--------------------|--|
| Less than 6 months |  |
| 6 months to 1 year |  |

|               |  |
|---------------|--|
| 1 – 5 years   |  |
| 6 – 10 years  |  |
| 11 – 15 years |  |

**How long have you been managing your sales team?**

|                        |  |
|------------------------|--|
| Less than three months |  |
| More than three months |  |

**Which sales team do you manage?**

|   |  |
|---|--|
| Johannesburg East and South             |  |
| Johannesburg North and West, Free State |  |
| Northern Gauteng (Pretoria)             |  |
| Kwa-Zulu Natal – Inland and Coast       |  |
| Western and Eastern Cape                |  |
| Specialist care – National              |  |

**How would you rate your overall relationship with your Sales team?**

|         |  |
|---------|--|
| Poor    |  |
| Neutral |  |
| Good    |  |

**SECTION B**

The following questions are aimed at determining your perceptions of your own leadership behaviour.

Please complete this section by selecting the number that reflects the degree to which you perceive each statement. There is no right or wrong answer – only your personal response. It is important to be as honest as possible in your responses.

- 7- Strongly disagree
- 8- Disagree
- 9- Slightly Disagree
- 10-Slightly Agree
- 11-Agree
- 12-Strongly Agree

Theme 1: My ability to make allowance for my team to work in a cohesive manner that will benefit my team.

- |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 1. I encourage and coach my team to identify and solve problems they may experience when launching a new clone.                       | 1 | 2 | 3 | 4 | 5 | 6 |
| 2. I effectively communicate and explain changes in the pharmaceutical industry and how it will affect the team.                      | 1 | 2 | 3 | 4 | 5 | 6 |
| 3. I effectively offer solutions after I clearly explained possible threats in the pharmaceutical industry.                           | 1 | 2 | 3 | 4 | 5 | 6 |
| 4. I encourage my team to achieve high-performance goals by planning activities that allows them to work effectively with each other. | 1 | 2 | 3 | 4 | 5 | 6 |
| 5. I encourage emotional control by fostering a healthy emotional climate, especially during the launch of a new clone.               | 1 | 2 | 3 | 4 | 5 | 6 |

- |  |   |   |   |   |   |   |
|--|---|---|---|---|---|---|
| 6. When launching a new clone, I encourage my team to have regular team meetings to plan activities.   | 1 | 2 | 3 | 4 | 5 | 6 |
| 7. I require of my team to plan activities that will focus on key performance areas of the team only.  | 1 | 2 | 3 | 4 | 5 | 6 |
| 8. When my team plans team meetings, I feel comfortable that they can clearly clarify their own roles, as well as the roles of their colleagues. | 1 | 2 | 3 | 4 | 5 | 6 |
| 9. I accept feedback that is task-focused (and not person-focused) from everyone in my team.   | 1 | 2 | 3 | 4 | 5 | 6 |
| 10. I offer constructive suggestions to my team when I provide feedback on the progress made when clones are launched.                           | 1 | 2 | 3 | 4 | 5 | 6 |
| 11. I vocalize my satisfaction when my team demonstrate success in sales results after a clone is launched                                       |   |   |   |   |   |   |
| Theme 2: My ability to provide my sales team members with the necessary support to launch clones effectively                                     | 1 | 2 | 3 | 4 | 5 | 6 |
| 12. I recognize my team's efforts to ensure the successful launch of a new clone.  | 1 | 2 | 3 | 4 | 5 | 6 |
| 13. Oftentimes, I involve my team when I tackle a new project.   | 1 | 2 | 3 | 4 | 5 | 6 |
| 14. When a clone is launched, I request input from my team on the best   | 1 | 2 | 3 | 4 | 5 | 6 |

tactics to follow.

- |  |   |   |   |   |   |   |
|--|---|---|---|---|---|---|
| 15. I ask for my team's input when I have to make decisions pertaining to the launch of a clone.                           | 1 | 2 | 3 | 4 | 5 | 6 |
| 16. I actively listen to my team's suggestions on the best tactics to follow when launching a clone.                       | 1 | 2 | 3 | 4 | 5 | 6 |
| 17. I support my team's decisions to launch a clone successfully.  | 1 | 2 | 3 | 4 | 5 | 6 |
| 18. Whenever I note that my team may be demotivated, I encourage them to achieve their goals whilst launching a new clone. | 1 | 2 | 3 | 4 | 5 | 6 |
| 19. I encourage my team to interact with all role players and staff members to ensure the successful launch of a clone.    |   |   |   |   |   |   |
| Theme 3: My ability to provide my sales team with clear direction  | 1 | 2 | 3 | 4 | 5 | 6 |
| 20. I schedule team meetings to give my team tasks and instructions related to new product launches.                       | 1 | 2 | 3 | 4 | 5 | 6 |
| 21. I believe that my team should not question my judgement when a clone is launched.                                      | 1 | 2 | 3 | 4 | 5 | 6 |
| 22. I request feedback from my team regarding activities they implemented to launch a new clone.                           | 1 | 2 | 3 | 4 | 5 | 6 |

- |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 23. I am always available to solve problems my team may encounter with new clone launches.                        | 1 | 2 | 3 | 4 | 5 | 6 |
| 24. When I assign work to my team, I ensure that they understand how I want it to be done.                        | 1 | 2 | 3 | 4 | 5 | 6 |
| 25. When launching a new clone, I expect my team to follow directions without question.                           | 1 | 2 | 3 | 4 | 5 | 6 |
| 26. I make most of my team's work-related decisions when a clone is launched.                                     | 1 | 2 | 3 | 4 | 5 | 6 |
| 27. I identify my team's strengths and use it to develop competencies.  | 1 | 2 | 3 | 4 | 5 | 6 |
| 28. I often motivate my team as they find it difficult to be self-motivated during periods of new clone launches. | 1 | 2 | 3 | 4 | 5 | 6 |

|                  |
|------------------|
| <b>SECTION C</b> |
|------------------|

This section is aimed to identify whether your sales team members are motivated by your leadership behaviour:

- |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 29. My team is motivated when I encourage and coach them to identify and solve problems they may experience when launching a new clone. | 1 | 2 | 3 | 4 | 5 | 6 |
| 30. It encourages my team when I effectively communicate changes in   | 1 | 2 | 3 | 4 | 5 | 6 |

the pharmaceutical industry and how it will affect the team.

- |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 31. It pleases my team when I effectively offer solutions after I clearly explained possible threats in the pharmaceutical industry.                  | 1 | 2 | 3 | 4 | 5 | 6 |
| 32. It stimulates my team when I encourage them to achieve high-performance goals by planning activities that allows my team to work with each other. | 1 | 2 | 3 | 4 | 5 | 6 |
| 33. It motivates my team when I encourage emotional control by fostering a healthy emotional climate, especially during the launch of a clone.        | 1 | 2 | 3 | 4 | 5 | 6 |
| 34. My team's motivation is highest when I encourage them to have regular team meetings to plan activities.   | 1 | 2 | 3 | 4 | 5 | 6 |
| 35. My team feels empowered when I require of them to plan activities that will focus on key performance areas of the team only.                      | 1 | 2 | 3 | 4 | 5 | 6 |
| 36. I feel confident when I feel comfortable that I can clarify the roles of myself and my colleagues clearly.  | 1 | 2 | 3 | 4 | 5 | 6 |
| 37. It motivates my team when I accept feedback that is task-focused (and not person-focused) from everyone in the team.                              | 1 | 2 | 3 | 4 | 5 | 6 |
| 38. My team is satisfied when I offer constructive suggestions when I provide feedback on the progress made when clones are launched.                 | 1 | 2 | 3 | 4 | 5 | 6 |

39. The fact that I vocalize my satisfaction when my team demonstrates success in sales results when a clone is launched, motivates my team. 1 2 3 4 5 6
40. My team finds it rewarding when I recognize their efforts to ensure the successful launch of a clone. 1 2 3 4 5 6
41. My team feels empowered when I involve them when I tackle a new project. 1 2 3 4 5 6
42. My team feels recognised when I request their input on the best tactics to follow when a clone is launched. 1 2 3 4 5 6
43. My team is stimulated when I ask for their input when I have to make decisions pertaining to the launch of a new clone. 1 2 3 4 5 6
44. It encourages my team knowing that I actively listen to their suggestions on the best tactics to follow when launching a new product. 1 2 3 4 5 6
45. It motivates my team when I support their decisions to launch a clone successfully. 1 2 3 4 5 6
46. It satisfies my team knowing that whenever they are demotivated, I encourage them to achieve their goals in launching a clone. 1 2 3 4 5 6
47. My team is pleased when I encourage them interact with all role players to ensure the successful launch of a clone. 1 2 3 4 5 6

48. My team finds it rewarding when I schedule team meetings to give my team tasks and instructions related to new product launches. 1 2 3 4 5 6
49. It pleases my team when I believe that they should not question my judgement when a clone is launched. 1 2 3 4 5 6
50. It motivates my team when I requests feedback from them regarding activities they implement to launch a clone. 1 2 3 4 5 6
51. My team is satisfied when I am always available to solve problems they encounter with new clone launches. 1 2 3 4 5 6
52. It motivates my team when I assign work to them and ensure that they understand how I want it to be done. 1 2 3 4 5 6
53. It stimulates my team knowing I expect them to follow directions without question. 1 2 3 4 5 6
54. It pleases my team that I make most of the work-related decisions for them when a clone is launched. 1 2 3 4 5 6
55. My team is motivated when I identify their strengths and use it to develop competencies. 1 2 3 4 5 6
56. My team seems pleased that I am able to motivate them when they find it difficult to motivate themselves. 1 2 3 4 5 6

**SECTION D**

Please describe in your own words, which types of leadership behaviours and actions you can exert that will motivate your sales team when a clone is launched?

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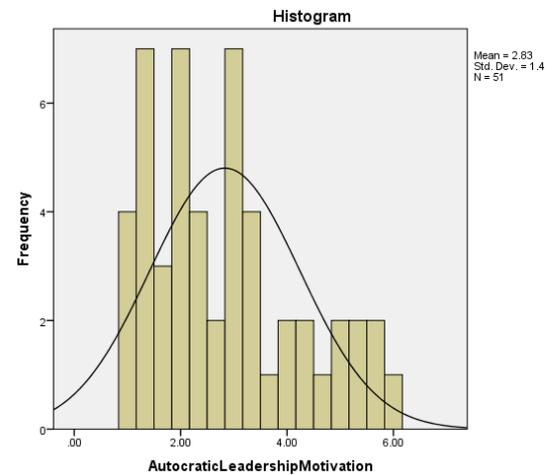
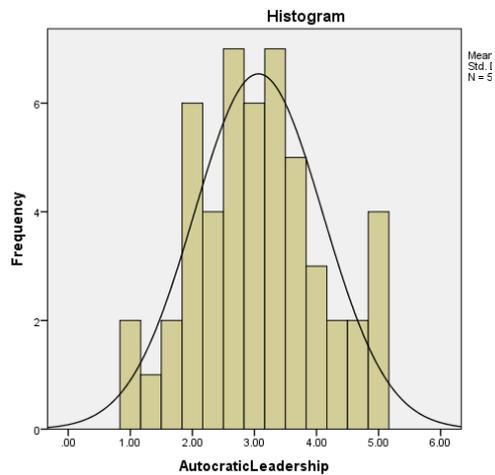
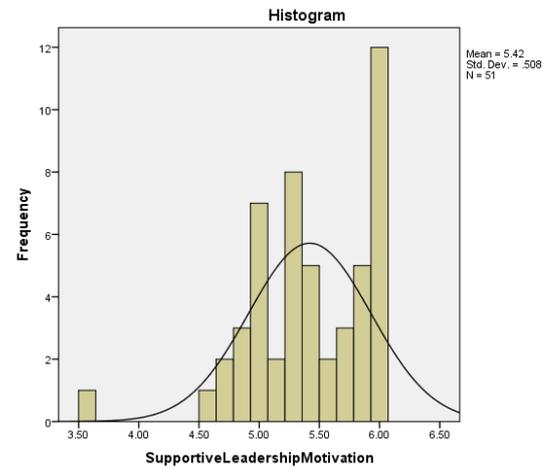
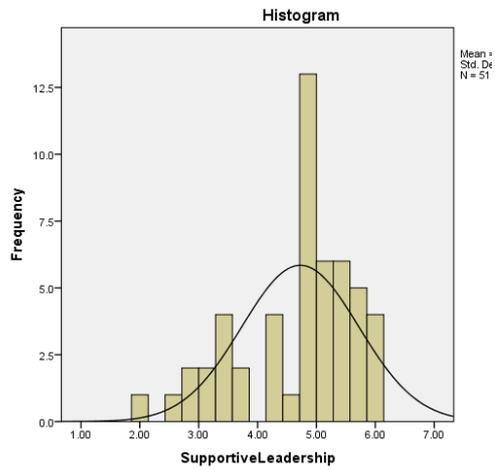
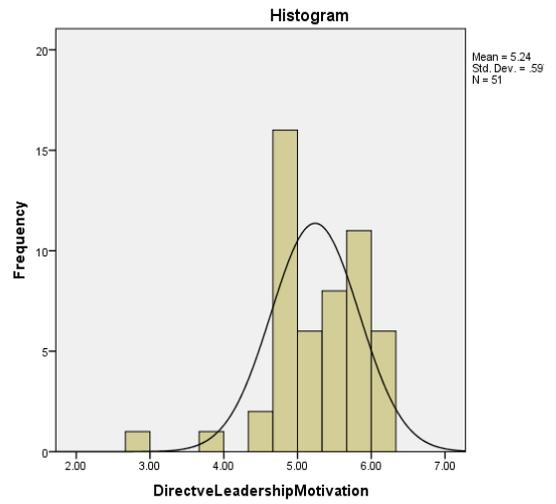
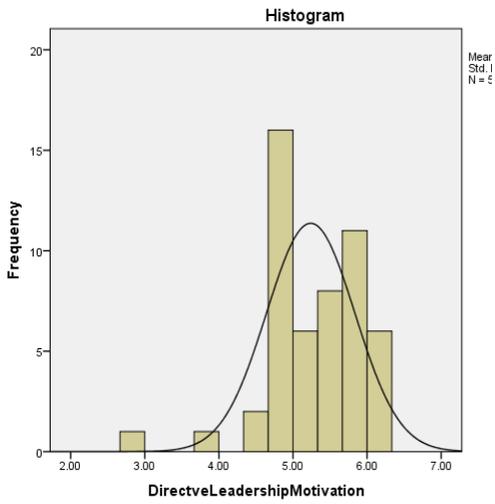
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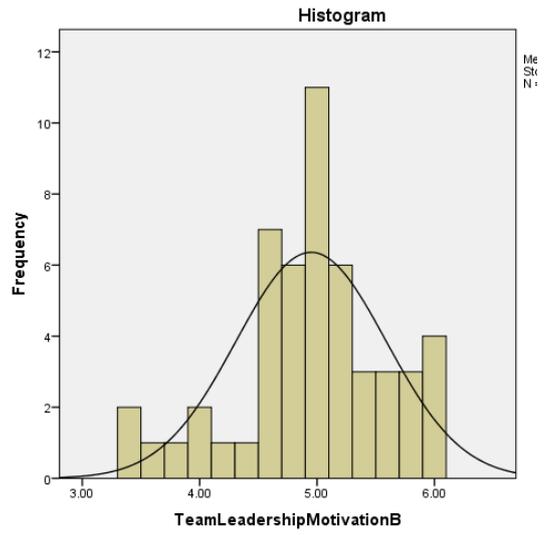
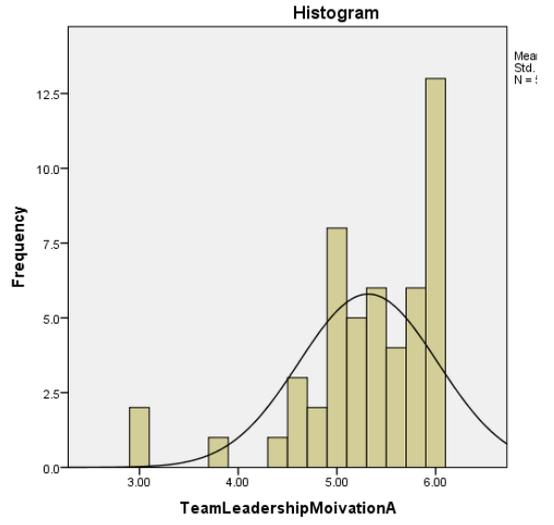
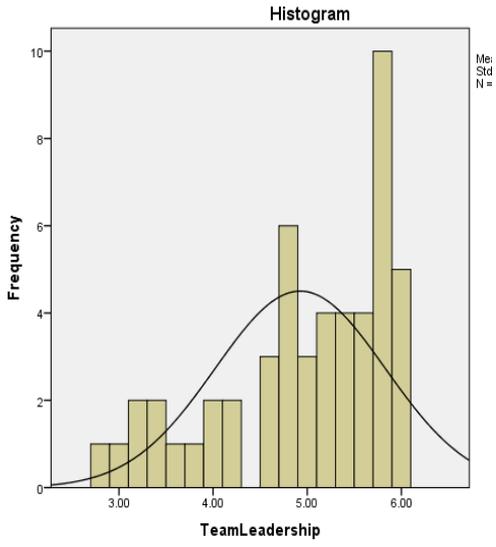
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## APPENDIX 3: HISTOGRAMS OF CONSTRUCTS





**APPENDIX 4: FACTOR ANALYSIS (THEME 1)**

**Total Variance Explained (Theme 1)**

| Component | Initial Eigenvalues |               |              | Extraction Sums of Squared Loadings |               |              |
|-----------|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|
|           | Total               | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % |
| 1         | 7.372               | 67.018        | 67.018       | 7.372                               | 67.018        | 67.018       |

Extraction Method: Principal Component Analysis.

**Component Matrix (Theme 1)<sup>a</sup>**

|  | Component |
|--|-----------|
|  | 1         |
| Q1. My manager encourages and coaches me to identify and solve problems the team may experience when launching a new clone.        | .906      |
| Q2: My manager effectively communicates and explains changes in the pharmaceutical industry and how it will affect the team.       | .887      |
| Q3. My manager effectively offers solutions after he/she clearly explained possible threats in the pharmaceutical industry.        | .884      |
| Q4. My manager encourages me to achieve high-performance goals by planning activities that allows me to work with my colleagues.   | .832      |
| Q5. My manager encourages emotional control by fostering a healthy emotional climate, especially during the launch of a new clone. | .891      |
| Q6. When launching a new clone, my manger encourages me to have regular team meetings to plan activities.                          | .739      |
| Q7. My manager requires of me to plan activities that will focus on key performance areas only.                                    | .447      |
| Q8. When planning team meetings, my manager feels comfortable that I can clarify the roles of myself and my colleagues clearly.    | .713      |
| Q9. My manager accepts feedback that is task-focused from everyone in the team.  | .874      |
| Q10. My manager offers constructive suggestions when he/she provides feedback on the progress made when clones are launched.       | .878      |
| Q11. My manager vocalises his/her satisfaction when I demonstrate success in sales results when a new clone is launched            | .843      |

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

## APPENDIX 5: FACTOR ANALYSIS OF MOTIVATION (THEME 1)

### Total Variance Explained (Motivation: Theme 1)

| Component | Initial Eigenvalues |               |              | Extraction Sums of Squared Loadings |               |              | Rotation Sums of Squared Loadings |               |              |
|-----------|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
|           | Total               | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % | Total                             | % of Variance | Cumulative % |
| 1         | 5.784               | 52.585        | 52.585       | 5.784                               | 52.585        | 52.585       | 4.249                             | 38.631        | 38.631       |
| 2         | 1.461               | 13.286        | 65.871       | 1.461                               | 13.286        | 65.871       | 2.996                             | 27.240        | 65.871       |

Extraction Method: Principal Component Analysis.

### Component Matrix (Motivation: Theme 1)<sup>a</sup>

|  | Component   |       |
|--|-------------|-------|
|  | 1           | 2     |
| Q29. I am motivated when my manager encourages and coaches me to identify and solve problems the team may experience when launching a new clone.         | .751        | -.418 |
| Q30. It encourages me when my manager effectively communicates changes in the pharmaceutical industry and how it will affect the team.                   | .789        | -.428 |
| Q31. It pleases me when my manager effectively offers solutions after he/she clearly explained possible threats in the pharmaceutical industry.          | .776        | -.360 |
| Q32. It stimulates me when my manager encourages me to achieve high-performance goals by planning activities that allows me to work with my colleagues.  | .800        | .083  |
| Q33. It motivates me when my manager encourages emotional control by fostering a healthy emotional climate, especially during the launch of a new clone. | .844        | -.184 |
| Q34. My motivation is highest when my manager encourages me to have regular team meetings to plan activities.  | <b>.555</b> | .530  |
| Q35. I feel empowered when my manager requires of me to plan activities that will focus on key performance areas only.                                   | .483        | .685  |
| Q36. I feel confident when my manager feels comfortable that I can clarify the roles of myself and my colleagues clearly.                                | <b>.693</b> | .252  |
| Q37. It motivates me when my manager accepts feedback that is task-focused from everyone in the team.  | <b>.746</b> | .193  |
| Q38. I am satisfied when my manager offers constructive suggestions when he/she provides feedback on the progress made when clones are launched.         | <b>.738</b> | .245  |
| Q39. The fact that my manager vocalises his/her satisfaction when I demonstrate success in sales results when a new clone is launched, motivates me.     | <b>.722</b> | -.145 |

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

**Rotated Component Matrix (Motivation: Theme 1)<sup>a</sup>**

|  | Component   |             |
|--|-------------|-------------|
|  | 1           | 2           |
| Q29. I am motivated when my manager encourages and coaches me to identify and solve problems the team may experience when launching a new clone.         | <b>.852</b> | .111        |
| Q30. It encourages me when my manager effectively communicates changes in the pharmaceutical industry and how it will affect the team.                   | <b>.889</b> | .126        |
| Q31. It pleases me when my manager effectively offers solutions after he/she clearly explained possible threats in the pharmaceutical industry.          | <b>.838</b> | .174        |
| Q32. It stimulates me when my manager encourages me to achieve high-performance goals by planning activities that allows me to work with my colleagues.  | <b>.593</b> | <b>.543</b> |
| Q33. It motivates me when my manager encourages emotional control by fostering a healthy emotional climate, especially during the launch of a new clone. | <b>.787</b> | .355        |
| Q34. My motivation is highest when my manager encourages me to have regular team meetings to plan activities.  | .129        | <b>.756</b> |
| Q35. I feel empowered when my manager requires of me to plan activities that will focus on key performance areas only.                                   | -.021       | <b>.838</b> |
| Q36. I feel confident when my manager feels comfortable that I can clarify the roles of myself and my colleagues clearly.                                | .406        | <b>.616</b> |
| Q37. It motivates me when my manager accepts feedback that is task-focused from everyone in the team.  | .484        | <b>.600</b> |
| Q38. I am satisfied when my manager offers constructive suggestions when he/she provides feedback on the progress made when clones are launched.         | .447        | <b>.636</b> |
| Q39. The fact that my manager vocalises his/her satisfaction when I demonstrate success in sales results when a new clone is launched, motivates me.     | <b>.666</b> | .313        |

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

**APPENDIX 6: FACTOR ANALYSIS OF THEME 2**

**Total Variance Explained (Theme 2)**

| Component | Initial Eigenvalues |               |              | Extraction Sums of Squared Loadings |               |              |
|-----------|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|
|           | Total               | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % |
| 1         | 5.148               | 73.539        | 73.539       | 5.148                               | 73.539        | 73.539       |

Extraction Method: Principal Component Analysis.

**Component Matrix (Theme 2)<sup>a</sup>**

|  | Component |
|--|-----------|
|  | 1         |
| Q12. My manager recognises my efforts to ensure the successful launch of a new clone.                          | .867      |
| Q13. Oftentimes, my manager involves me when he/she tackles a new project.                                     | .862      |
| Q14. When a new clone is launched, my manager requests my input on the best tactics to follow.                 | .900      |
| Q15. My manager asks for my input when he/she has to make decisions pertaining to the launch of a new clone.   | .880      |
| Q16. My manager actively listens to my suggestions on the best tactics to follow when launching a new product. | .869      |
| Q17. My manager supports my decisions to launch a new clone successfully.                                      | .831      |
| Q18. Whenever I am demotivated, my manager encourages me to achieve my goals in launching a new clone.         | .789      |

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

## APPENDIX 7: FACTOR ANALYSIS OF MOTIVATION (THEME 2)

### Total Variance Explained (Motivation: Theme 2)

| Component | Initial Eigenvalues |               |              | Extraction Sums of Squared Loadings |               |              |
|-----------|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|
|           | Total               | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % |
| 1         | 4.408               | 62.968        | 62.968       | 4.408                               | 62.968        | 62.968       |

Extraction Method: Principal Component Analysis.

### Component Matrix (Motivation: Theme 2)<sup>a</sup>

|  | Component |
|--|-----------|
|  | 1         |
| Q40. I find it rewarding when my manager recognises my efforts to ensure the successful launch of a new clone.                               | .675      |
| Q41. I feel empowered when my manager involves me when he/she tackles a new project.   | .845      |
| Q42. I feel recognised when my manager requests my input on the best tactics to follow when a clone is launched.                             | .821      |
| Q43. I am stimulated when my manager asks for my input when he/she has to make decisions pertaining to the launch of a new clone.            | .861      |
| Q44. It encourages me knowing that my manager actively listens to my suggestions on the best tactics to follow when launching a new product. | .862      |
| Q45. It motivates me when my manager supports my decisions to launch a new clone successfully.   | .817      |
| Q46. It satisfies me knowing that whenever I am demotivated, my manager encourages me to achieve my goals in launching a new clone.          | .643      |

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

## APPENDIX 8: FACTOR ANALYSIS OF THEME 3

### Total Variance Explained (Theme 3)

| Component | Initial Eigenvalues |               |              | Extraction Sums of Squared Loadings |               |              | Rotation Sums of Squared Loadings |               |              |
|-----------|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
|           | Total               | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % | Total                             | % of Variance | Cumulative % |
| 1         | 4.456               | 44.558        | 44.558       | 4.456                               | 44.558        | 44.558       | 4.341                             | 43.413        | 43.413       |
| 2         | 2.265               | 22.651        | 67.209       | 2.265                               | 22.651        | 67.209       | 2.380                             | 23.796        | 67.209       |

### Component Matrix (Theme 3)<sup>a</sup>

|   | Component   |       |
|---|-------------|-------|
|   | 1           | 2     |
| Q19. My manager encourages me to interact with all role players and staff members to ensure the successful launch of a clone. | <b>.798</b> | .197  |
| Q20. My manger schedules meetings with me to give me tasks and instructions related to new product launches.                  | <b>.860</b> | .088  |
| Q21. My manager believes that I should not question the judgement of superiors when a new clone is launched.                  | -.381       | .649  |
| Q22. My manager requests feedback from me regarding activities I implemented to launch a new clone.                           | <b>.775</b> | .222  |
| Q23. My manager is always available to solve problems I encounter with new clone launches.                                    | <b>.872</b> | .176  |
| Q24. When my manager assigns work to me, he/she ensures that I understand how he/she wants it to be done.                     | <b>.793</b> | .176  |
| Q25. When launching a new clone, my manager expects me to follow directions without question.                                 | -.331       | .817  |
| Q26. My manager makes most of my work-related decisions for me when a new clone is launched.                                  | -.252       | .811  |
| Q27. My manager identifies my strengths and uses it to develop competencies.  | <b>.860</b> | -.094 |
| Q28. My manager often motivates me as I find it difficult to be motivated during periods of new clone launches.               | .176        | .593  |

Extraction Method: Principal Component Analysis.  
a. 2 components extracted.

**Rotated Component Matrix (Theme 3)<sup>a</sup>**

|   | Component   |       |
|---|-------------|-------|
|   | 1           | 2     |
| Q19. My manager encourages me to interact with all role players and staff members to ensure the successful launch of a clone. | <b>.822</b> | .009  |
| Q20. My manger schedules meetings with me to give me tasks and instructions related to new product launches.                  | <b>.857</b> | -.111 |
| Q21. My manager believes that I should not question the judgement of superiors when a new clone is launched.                  | -.223       | .719  |
| Q22. My manager requests feedback from me regarding activities I implemented to launch a new clone.                           | <b>.805</b> | .039  |
| Q23. My manager is always available to solve problems I encounter with new clone launches.                                    | <b>.889</b> | -.028 |
| Q24. When my manager assigns work to me, he/she ensures that I understand how he/she wants it to be done.                     | <b>.812</b> | -.010 |
| Q25. When launching a new clone, my manager expects me to follow directions without question.                                 | -.135       | .871  |
| Q26. My manager makes most of my work-related decisions for me when a new clone is launched.                                  | -.060       | .847  |
| Q27. My manager identifies my strengths and uses it to develop competencies.  | <b>.816</b> | -.289 |
| Q28. My manager often motivates me as I find it difficult to be motivated during periods of new clone launches.               | .307        | .537  |

## APPENDIX 9: FACTOR ANALYSIS OF MOTIVATION (THEME 3)

### Total Variance Explained (Motivation: Theme 3)

| Component | Initial Eigenvalues |               |              | Extraction Sums of Squared Loadings |               |              | Rotation Sums of Squared Loadings |               |              |
|-----------|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
|           | Total               | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % | Total                             | % of Variance | Cumulative % |
| 1         | 3.993               | 39.930        | 39.930       | 3.993                               | 39.930        | 39.930       | 3.990                             | 39.901        | 39.901       |
| 2         | 2.539               | 25.389        | 65.319       | 2.539                               | 25.389        | 65.319       | 2.542                             | 25.419        | 65.319       |

Extraction Method: Principal Component Analysis.

### Component Matrix (Motivation: Theme 3)<sup>a</sup>

|  | Component   |       |
|--|-------------|-------|
|  | 1           | 2     |
| Q47. I am pleased when my manager encourages me to interact with all role players to ensure the successful launch of a clone.          | <b>.902</b> | -.082 |
| Q48. I find it rewarding when my manager schedules meetings with me to give me tasks and instructions related to new product launches. | <b>.573</b> | .328  |
| Q49. It pleases me when my manager believes that I should not question the judgement of superiors when a new clone is launched.        | .048        | .873  |
| Q50. I am motivated when my manager requests feedback from me regarding activities I implemented to launch a new clone.                | <b>.716</b> | .124  |
| Q51. I am satisfied when my manager is always available to solve problems I encounter with new clone launches.                         | <b>.844</b> | -.200 |
| Q52. It motivates me when my manager assigns work to me and ensures that I understand how he/she wants it to be done.                  | <b>.779</b> | .015  |
| Q53. It stimulates me knowing my manager expects me to follow directions without question.   | .055        | .916  |
| Q54. I am pleased by my manager making most of my work-related decisions for me when a new clone is launched.                          | .020        | .845  |
| Q55. I am motivated when my manager identifies my strengths and uses it to develop competencies.                                       | <b>.773</b> | -.228 |
| Q56. I am pleased that my manager is able to motivate me when I find it difficult to motivate myself.                                  | <b>.645</b> | .032  |

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

**Rotated Component Matrix (Motivation: Theme 3)<sup>a</sup>**

|   | Component   |       |
|---|-------------|-------|
|   | 1           | 2     |
| Q47. I am pleased when my manager encourages me to interact with all role players to ensure the successful launch of a clone.         | <b>.905</b> | -.042 |
| Q48. I find it rewarding when my manger schedules meetings with me to give me tasks and instructions related to new product launches. | <b>.558</b> | .354  |
| Q49. It pleases me when my manager believes that I should not question the judgement of superiors when a new clone is launched.       | .009        | .875  |
| Q50. I am motivated when my manager requests feedback from me regarding activities I implemented to launch a new clone.               | <b>.710</b> | .156  |
| Q51. I am satisfied when my manager is always available to solve problems I encounter with new clone launches.                        | <b>.852</b> | -.162 |
| Q52. It motivates me when my manager assigns work to me and ensures that I understand how he/she wants it to be done.                 | <b>.778</b> | .050  |
| Q53. It stimulates me knowing my manager expects me to follow directions without question.  | .014        | .917  |
| Q54. I am pleased by my manager making most of my work-related decisions for me when a new clone is launched.                         | -.018       | .845  |
| Q55. I am motivated when my manager identifies my strengths and uses it to develop competencies.                                      | <b>.782</b> | -.193 |
| Q56. I am pleased that my manager is able to motivate me when I find it difficult to motivate myself.                                 | <b>.642</b> | .061  |

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

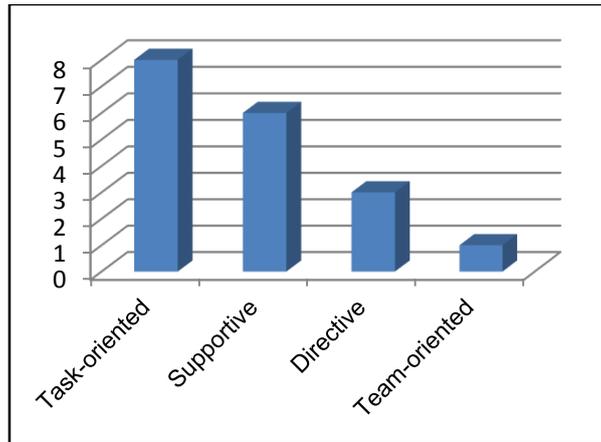
a. Rotation converged in 3 iterations.

**APPENDIX 10:**

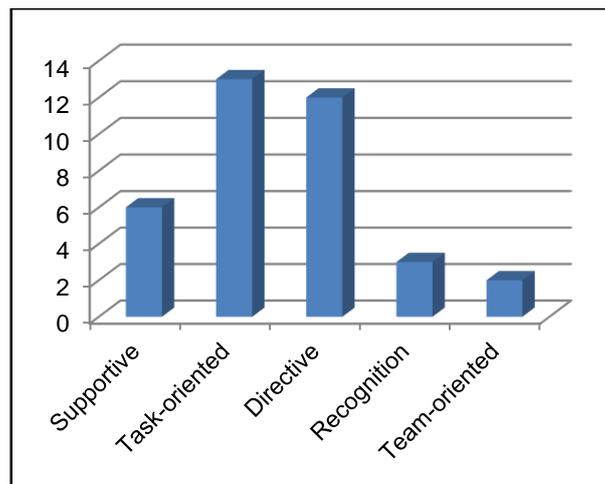
**DIFFERENCE IN MEAN VALUES OF LEADERSHIP BEHAVIOUR BETWEEN  
SALES MANAGERS AND SALES TEAMS**

|              |                      | Supportive<br>Leadership | Autocratic<br>Leadership | Team<br>Leadership | Directive<br>Leadership |
|--------------|----------------------|--------------------------|--------------------------|--------------------|-------------------------|
| Sales team A | <b>Sales manager</b> | 5.14                     | 2.00                     | 5.10               | 4.83                    |
|              | <b>Sales team</b>    | 4.74                     | 2.67                     | 5.20               | 4.97                    |
|              | <b>Variance</b>      | -0.40                    | 0.67                     | 0.10               | 0.14                    |
| Sales team B | <b>Sales manager</b> | 6.00                     | 1.67                     | 5.10               | 5.83                    |
|              | <b>Sales team</b>    | 4.08                     | 3.29                     | 4.38               | 4.35                    |
|              | <b>Variance</b>      | -1.92                    | 1.62                     | -0.72              | -1.48                   |
| Sales team C | <b>Sales manager</b> | 5.86                     | 1.33                     | 5.70               | 5.23                    |
|              | <b>Sales team</b>    | 5.07                     | 2.61                     | 5.03               | 4.97                    |
|              | <b>Variance</b>      | -0.79                    | 1.28                     | -0.67              | -0.26                   |
| Sales team D | <b>Sales manager</b> | 5.43                     | 4.00                     | 5.50               | 5.50                    |
|              | <b>Sales team</b>    | 4.45                     | 3.69                     | 4.44               | 4.52                    |
|              | <b>Variance</b>      | -0.98                    | -0.31                    | -1.06              | -0.98                   |
| Sales team E | <b>Sales manager</b> | 6.00                     | 2.00                     | 5.90               | 5.83                    |
|              | <b>Sales team</b>    | 5.19                     | 3.00                     | 5.22               | 5.39                    |
|              | <b>Variance</b>      | -0.81                    | 1.00                     | -0.68              | -0.44                   |
| Sales team F | <b>Sales manager</b> | 5.71                     | 2.67                     | 4.90               | 4.67                    |
|              | <b>Sales team</b>    | 4.90                     | 3.03                     | 5.31               | 5.40                    |
|              | <b>Variance</b>      | -0.81                    | 0.36                     | 0.41               | 0.73                    |

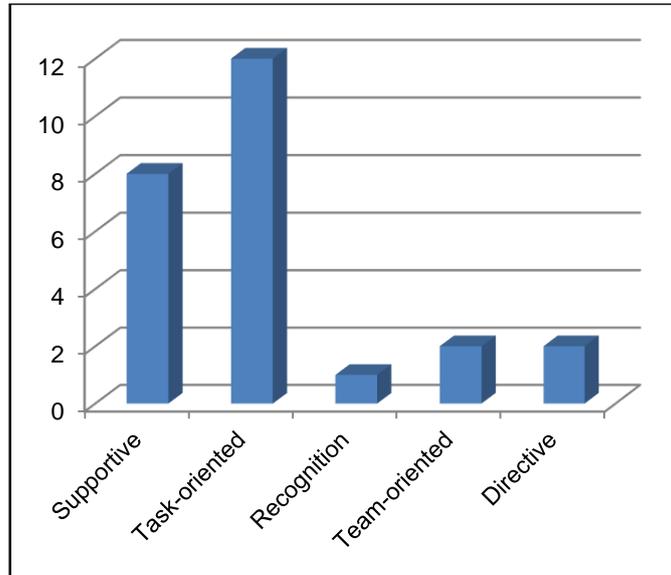
**APPENDIX 11: KEY THEMES IDENTIFIED BY SALES TEAMS**



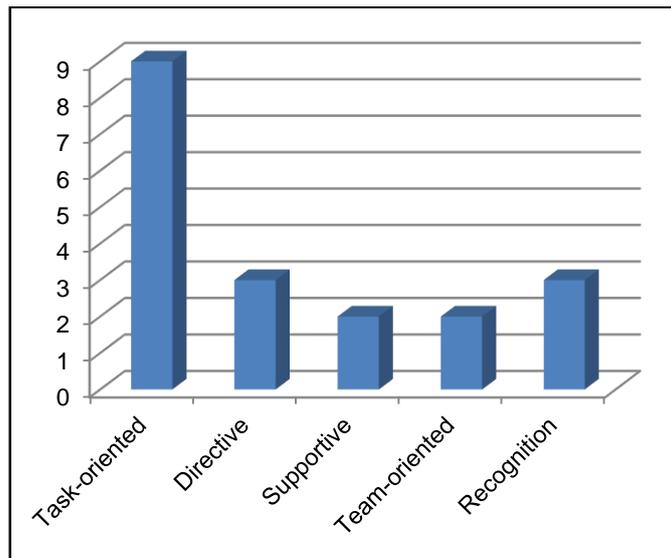
**Bar chart: Key themes (Sales team A)**



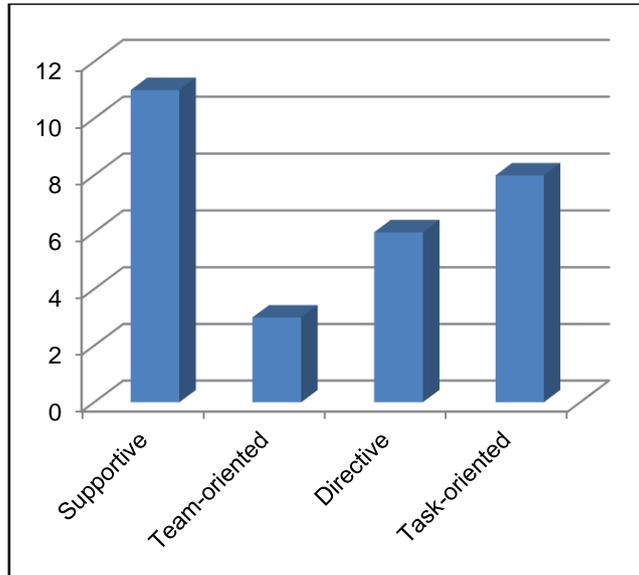
**Bar chart: Key themes (Sales team B)**



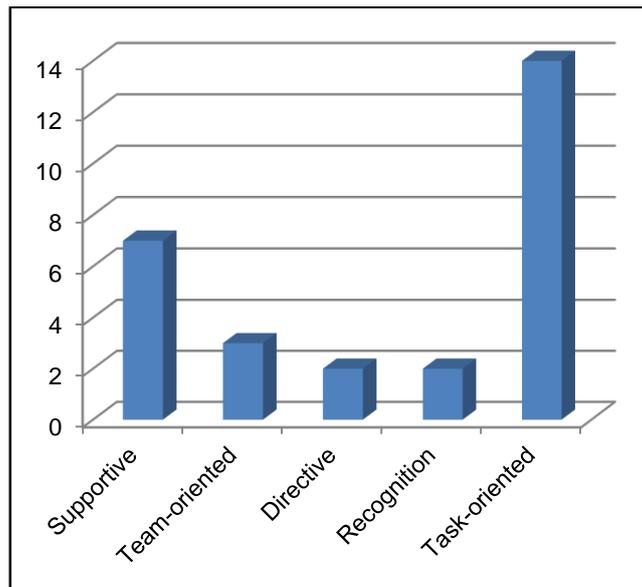
**Bar chart: Key themes (Sales team C)**



**Bar chart: Key themes (Sales team D)**



**Bar chart: Key themes (Sales team E)**



**Bar chart: Key themes (Sales team F)**