

# **The Effects Non-Coercive Influence Tactic Use in Marketing Manager/Sales Manager Working Relationships during NPD**

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## **Abstract**

This paper examines the effects of five non-coercive influence tactics (rational persuasion, consultation, collaboration, ingratiation, and inspirational appeals) on interpersonal conflict and perceived relationship effectiveness. The context of this research is working relationships between Marketing Managers and Sales Managers during NPD projects. The results suggest that the most useful influence tactic for managers during NPD is rational persuasion. This is consistent with the view that NPD projects are information processing sub-systems within the firm, aimed at reducing uncertainty. In addition, not all of the influence tactics have positive outcomes, as two of these tactics (ingratiation and inspirational appeals) appear to increase rather than reduce conflict.

## **Introduction**

Until relatively recently the academic literature was largely silent on the topic of Marketing Manager/Sales Manager cross-functional working relationships (Marketing/Sales CFRs). Whilst there is now a growing body of literature on this CFR, no one has yet examined managerial use of influence tactics in the Marketing/Sales CFR during NPD. This is unusual given that there is evidence that one of the most common types of project in which Marketing and Sales are jointly involved are NPD projects. Dawes and Massey (2006) for example found that 54.6% of the Marketing/R&D projects reported on by responding Sales Managers were NPD projects.

NPD projects require managers from different departments (e.g., Marketing and Sales) to collaborate and deliver successful new products. As these managers often have differing priorities and conflicting objectives, they may at times need to influence the opinions and behaviours of others on the project. One way to seek the cooperation and compliance of another manager is via the use of proactive “influence tactics” (cf. Yukl 2002). Broadly, there are two forms of influence tactic—coercive, and non-coercive, and this current research examines non-coercive tactics. Influence tactics are important because the ability to influence managers over whom one has little or no formal authority is essential within firms that have moved away from traditional hierarchical structures to more empowered structures such as cross-functional teams (Yukl, Chavez, and Seifert, 2005). Accordingly, this study examines the role of these tactics in the Marketing/Sales CFR during NPD. Specifically, it examines the effects of these five non-coercive influence tactics on *interpersonal conflict*, and *perceived relationship effectiveness*.

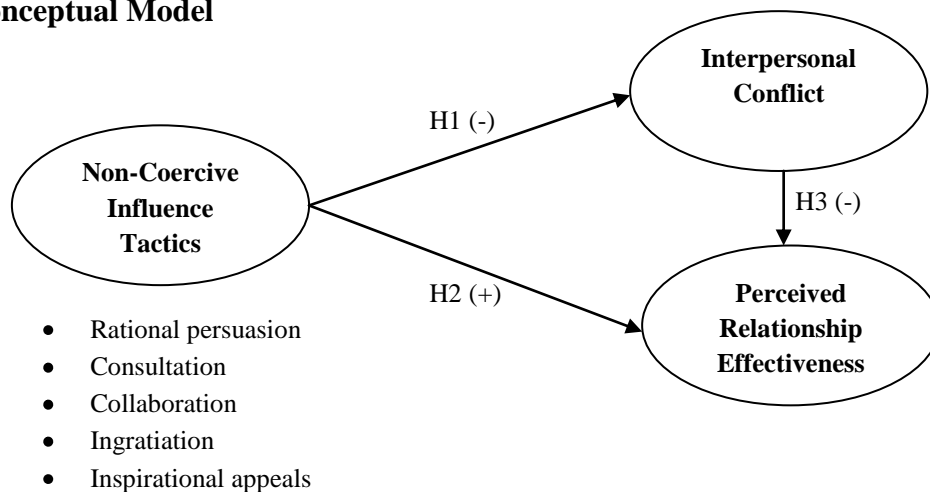
## **Theoretical Framework**

The main theoretical perspective which informs this research is “sociopolitical theory”, e.g., resource-dependence theory, which views firms as coalitions of competing interests, and as internal markets in which power, influence, and control are utilized to secure required resources. Power organizes around critical and scarce resources, and greater control of these by a given manager, brings with it greater intra-organizational influence and control (Pfeffer

and Salancik 1978). Managers who require resources therefore attempt to influence other managers in order to better meet their own objectives. One of the central tenets of sociopolitical theory is that cross-functional decision making, as occurs in NPD teams, is an inherently political process in which participants are self-interested, and seek to increase their power and influence (cf. Frost and Egri 1991; Maute and Locander 1994). As Atuahene-Gima and De Luca (2008) note, NPD involves struggles for power amongst functional coalitions, each with conflicting goals and priorities, and this gives rise to the use of influence tactics within NPD teams. Hence a sociopolitical perspective is appropriate, and the Marketing/Sales CFRs examined here provide a rich context to examine the effects of managerial influence during NPD.

The remainder of this article is structured as follows. First, the conceptual model is presented, the key constructs defined and their inclusion justified. Next, the research methods are described, and the results of the empirical tests are reported. The article concludes by discussing the implications of the research, its limitations, and possible topics for future research.

**Figure 1. Conceptual Model**



## Outcome Variables

### Perceived Relationship Effectiveness

This variable is drawn originally from Van de Ven (1976), and is defined as how worthwhile, equitable, productive, and satisfying a manager perceives their working relationship to be with a peer manager during a specific NPD project. This psychosocial outcome was chosen for various reasons. First, previous studies of working relationships have also used subjective outcome measures (e.g., Anderson and Narus 1990), and second, objective measures of NPD project effectiveness (e.g., sales, and market share) are not proximal to the project itself, and there may therefore be a significant time lag before these effects emerge. We therefore treat perceived relationship effectiveness as indicative of the likely success of the project, and of the new product. Given the compelling evidence provided by Souder (1981; 1988) on how “harmony” within NPD projects is strongly associated with the success of new products, there is good justification for including this as a dependent variable.

## **Interpersonal Conflict**

Although a contemporary view within the literature is that interpersonal conflict can have both dysfunctional and functional forms (Amason 1996), here only the dysfunctional form is examined. Dysfunctional conflict is known to be associated with a wide range of negative outcomes such as lower team performance and lower member satisfaction, because it produces tension and antagonism, distracting people from their task performance (De Dreu and Weingart 2003). Here dysfunctional conflict is defined in the conventional sense: it is unhealthy, and associated with dysfunctional behaviours, dissatisfaction, and poor individual and/or group performance. As mentioned above, Souder (1981; 1988) provides good evidence that dysfunctional conflict during NPD projects dramatically reduces the success rates of those projects, hence the inclusion of the variable in this current study.

## **Explanatory Variables**

### **Influence Tactics**

Influence tactics are attempts by one manager—the “agent” to secure compliance or cooperation from another manager—the “target”. It is well established in the literature that a manager’s effectiveness is determined in part by their level of informal influence within the organization (Yukl 2002). Influence tactics can be broadly categorized into two groups—“hard”/coercive tactics, and “soft”/non-coercive tactics, and the latter type are investigated here. The five non-coercive influence tactics examined are employed by Sales Managers in their CFRs with Marketing Managers during NPD projects.

The first tactic, *rational persuasion*, uses explanations, logical arguments, and factual evidence to demonstrate that a request is feasible and relevant to achieving task objectives. *Consultation* involves inviting the target to participate in planning how to carry out a request, or implement a change. *Collaboration* is where the agent offers to provide the necessary resources or assistance for the target to carry out the request, and involves joint effort to accomplish tasks or achieve objectives. *Ingratiation* involves the agent giving compliments, doing unsolicited favours, being deferential, respectful and friendly in order to make the target feel better about the agent. Last, *inspirational appeals* are where the agent seeks compliance or cooperation by appealing to a target’s emotions or needs, values, hopes, and ideals (Yukl 2002; Yukl and Tracey 1992). These five tactics were chosen because they are the most frequently used in lateral working relationships (Bennebroek Gravenhorst and Boonstra 1998; Yukl and Falbe 1990), and they are likely to be highly effective in peer manager relationships (Yukl 2002).

## **Hypotheses Development**

### **The Effects of the Non-Coercive Influence Tactics**

There is good reason to expect the non-coercive tactics to be positively associated with perceived relationship effectiveness, and negatively associated with interpersonal conflict. First, in contrast to coercive tactics, these non-coercive tactics are socially acceptable influence attempts (Yukl 2002), and therefore unlikely to attract rancour from the targets of those influence attempts. Second, the tactics are highly task-oriented, and therefore more likely to elicit positive responses from target managers because they demonstrate a desire to “get the job done” and to do so using socially acceptable means. Whilst inspirational appeals and ingratiation are tactics based on values and emotions, they nonetheless demonstrate the agent’s desire to achieve the tasks at hand, using socially acceptable means. Accordingly, one

might expect these five tactics to be associated with lower interpersonal conflict, and greater relationship effectiveness. We therefore hypothesise:

- H1. The greater the use of: (a) rational persuasion, (b) consultation, (c) collaboration, (d) ingratiation, and (e) inspirational appeals, the lower the interpersonal conflict.
- H2. The greater the use of (a) rational persuasion, (b) consultation, (c) collaboration, (d) ingratiation, and (e) inspirational appeals, the greater the perceived effectiveness of the relationship

### **The Effects of Interpersonal Conflict**

A significant body of literature has linked interpersonal conflict to negative psychosocial and task outcomes. Jaworski and Kohli (1993) for example, found that high conflict was associated with reduced market orientation, intelligence dissemination, and organizational responsiveness. Similarly, Menon et al. (1996) found that interpersonal conflict reduces the quality of marketing strategy formulation and implementation, while more pertinently, Ruekert and Walker (1987) found high interpersonal conflict to be associated with low perceived relationship effectiveness. Accordingly, managers in CFRs with high interpersonal conflict are likely to perceive their relationships to be ineffective. We therefore hypothesise:

- H3: Greater interpersonal conflict will be associated with lower perceived relationship effectiveness.

### **Methodology**

The survey used a self-administered, pretested questionnaire mailed to MMs in Australian firms. We received usable responses from 100 MMs (R.R.= 22.3%). In order to select only those projects in which the Marketing Managers/Sales Managers worked jointly on NPD, the cases in the dataset were sorted, and those which were not NPD projects were eliminated from the sample. This yielded n=52 separate NPD projects, and this data was used for the analyses. Tests of non-response bias and key informant competence indicated the data was acceptable. Seven reflective multi-item scales were used to measure the constructs in Figure 1. Items with loadings > 0.7 were used to avoid problems with convergent and discriminant validity (Fornell and Larcker 1981). Smart PLS 2.0 (Ringle, Wende, and Will, 2005) was used to analyse the measurement and structural models because of its ability to model using small samples. Also we make no assumptions about univariate or multivariate normality, and our main aim is predicting the endogenous variables (Chin, 1998; Diamantopolous and Winklhofer, 2001; Fornell and Bookstein, 1982).

Principal components analysis revealed that our measures were unidimensional. Convergent validity was established as the average variance extracted (AVE) of our reflective measures was > 0.5 (Bagozzi and Yi, 1988). Reliability was established as the composite reliability for each scale was > 0.7. Discriminant validity was established, because the squared correlation for any pair of constructs was less than the AVEs of each construct (Fornell and Larcker, 1981). As our measures are self reports we tested for common method bias using principal components analysis. No single factor emerged, and no one factor accounted for more than 50% of the variance (Mattila and Enz 2002; Podsakoff et al. 1984), so no evidence of common method bias was found.

## Results and Discussion

The  $R^2$  results for perceived relationship effectiveness and interpersonal conflict are .713 and .371 respectively, therefore our antecedents predict between 37% and 71% of the variance in these two dependent variables.

**Table 1: PLS Structural Model Results**

| Linkages in the Model                              | Hyp. No. | Hyp. Sign | Std. Beta |
|--|----------|-----------|-----------|
| Rational persuasion → Conflict                     | H1a      | -         | -.543*    |
| Consultation → Conflict                            | H1b      | -         | .017      |
| Collaboration → Conflict                           | H1c      | -         | -.275†    |
| Ingratiation → Conflict                            | H1d      | -         | .325*     |
| Inspirational appeals → Conflict                   | H1e      | -         | .208†     |
| Rational persuasion → Relationship Effectiveness   | H2a      | +         | .327**    |
| Consultation → Relationship Effectiveness          | H2b      | +         | -.047     |
| Collaboration → Relationship Effectiveness         | H2c      | +         | .210†     |
| Ingratiation → Relationship Effectiveness          | H2d      | +         | .128      |
| Inspirational appeals → Relationship Effectiveness | H2e      | +         | .026      |
| Conflict → Perceived Relationship Effectiveness    | H3       | -         | -.429***  |

† Sig. <.10; \* Sig. <.05; \*\* Sig. <.01; \*\*\* Sig. <.001 (one tailed tests)

Perhaps the most important finding is that not all of the influence tactics are effective. The tactic with the greatest effect is rational persuasion, as it strongly reduces interpersonal conflict, and increases relationship effectiveness. This is consistent with the view that NPD projects are information processing sub-systems within the firm, aimed at reducing uncertainty (e.g., Moenaert and Souder 1990). Hence rational persuasion is a powerful tactic, and the results suggest that it should be a manager's preferred means of seeking influence within NPD projects. Second, the remaining tactics have mixed effects. Some tactics e.g., consultation, have no effect on these dependent variables, whilst others have modest effects, or effects that only approach statistical significance. Last, these results suggest an important new finding, i.e., that some non-coercive influence tactics actually damage rather than improve Marketing/Sales CFRs during NPD. Specifically, both ingratiation and inspirational appeals appear to increase conflict in this CFR. One possible explanation for this is that these tactics are based on values and emotions, rather than rational discussion. Accordingly, targets of such influence attempts may perceive them negatively, and as manipulative by a target, particularly if the use of such a tactic immediately precedes a request (Yukl and Tracey 1992).

### Conclusions and Directions for Future Research

This research empirically examines the role of non-coercive managerial influence tactics in Marketing/Sales CFRs during NPD projects. The results suggest that not all influence tactics are likely to be effective, and that managers should use rational persuasion as their preferred method of seeking influence within NPD teams. Moreover, some tactics are to be avoided, as they appear to damage working relationships, and could therefore jeopardise the success of the NPD project. Last, some tactics appear to have no effects at all, and should be avoided. This research is not without its limitations, one of which is the relatively small sample size. However, this is the first study of its kind, and the study is somewhat exploratory in nature, therefore  $n = 52$  is sufficient for this early stage of research into this important area. Future research should attempt to test the hypotheses developed in this current research on a larger sample of NPD projects.

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