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## THE MODERATING ROLE OF INDUSTRIAL EXPERIENCE IN THE JOB SATISFACTION, INTENTION TO LEAVE RELATIONSHIP: AN EMPIRICAL STUDY AMONG SALESMEN IN INDIA

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## **Purpose**

The paper explores the moderating role of Industrial experience in the relationship between different facets of a sales person's satisfaction with the job and his/her intention to quit the job.

## Methodology/Approach;

The study is based on the data collected from sales persons from a pharmaceutical company in India. Dimensions of job satisfaction have been specifically developed for this study due to the cultural specificity of the context. The job satisfaction scale was developed through a process of qualitative research.

## **Findings**

The study finds that industry experience moderates the job satisfaction, disinclination to quit relationship for most of the job satisfaction dimensions. Specifically it is seen than Industry experience has a moderating effect when we consider the effect of a salesperson's satisfaction with the organizational HR policies, supervisor satisfaction, compensation policies and career development and disinclination to quit.

## **Research limitations/implications**

The paper contributes to the existing literature by considering the moderating effect of Industry experience, a variable hitherto not considered in sales management literature. This extends our knowledge on the factors that affect a sales person's disinclination to quit – an extremely important factor in sales force management

#### Originality/value of paper

While this paper extends the already existing knowledge about the moderating variables that affect the relationship between job satisfaction and intention to quit, its original contribution is in terms of the setting – India, as well as the identification of a moderating variable- Industry experience.

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#### Introduction

Salespeople provide both sources of revenue as well as an important point of interface with customers. Thus, it is critical for organizations to manage their sales force in the most effective manner possible. It is not only important that the sales force manage a fruitful interface with the customers but also encourage the customers to prolong their relationship with the organization. As the ambassadors of the organization, a long term relationship with the customers cannot materialize without the active and continued involvement of crucial sales personnel in relationship maintenance. It is therefore quite important to focus on the propensity of sales people to quit organizations for various reasons. Existing literature consider job satisfaction to be the most (and often the only) antecedent that explains the degree of a sales man's intention to quit. This hypothesis, though intuitively quite appealing, is often not sufficient in describing the entire picture with regard to sales force turnover. Job satisfaction itself is a multidimensional concept and thus it becomes important to find out which aspect of job satisfaction affects a sales person's (dis)inclination to quit his/her presents organization. Another important aspect to consider is the existence of moderating variables that impact the relationship between job satisfaction and inclination to quit. Without considering these moderating variables the picture is not complete. The present study looks at the moderating role of an important variable-the experience of the sales person in the industry. We propose that a sales person's experience moderates the relationship between a sales person's level of satisfaction and his/her inclination to guit. While the effect of job satisfaction on intention to guit has been studied guite comprehensively in the past, the effect of moderating variables, especially the moderating role of industrial experience has not been carried out in the past. The next section looks at the extant literature in this area and justifies the propositions. In the succeeding sessions we explain the two stage empirical study which was carried out with medical representatives in a pharmaceutical company in India.

#### **Review of literature**

While job satisfaction as a construct is immensely critical in any organizational setting, the focus of this study is on the different facets that define job satisfaction for salesmen. Job satisfaction is arguably one of the most widely studied concepts in sales force research (Brown and Peterson, 1993). Job satisfaction pertaining to sales force has also been defined in a variety of ways in the extant literature. One of the most enduring definitions of job satisfaction in the sales force research context has been provided by Churchil, Ford and Walker (1974). They consider job satisfaction as "all characteristics of the job itself and the work environment which the salesman find rewarding, fulfilling and satisfying or frustrating and unsatisfying". Numerous studies,(eg. Behrman and Perreault, 1984; Franke, Behrman and Pereault, 1982; Behrman, Bigoness and Perreault, 1981; Bagozzi, 1980 etc.) have considered the antecedents of job satisfaction in the context of a sales force. Variables considered as antecedents include Role conflict, Role ambiguity, Job performance etc. In the present study various facets of job satisfaction have been considered as antecedents to another important construct in sales force management research – the inclination to quit. Job satisfaction is typically understood to be negatively related to inclination to quit (Trevor, 2001) in the context of employees in general. Several studies in the past have considered the relationship between job satisfaction and the intention to quit among sales people also. For instance, in their meta analytic study, Brown and Peterson (1993) considered organizational commitment as a mediating variable to the job satisfaction, potential to leave relationship. Futrell and Parasuraman (1984) had considered the same relationship and found that performance is an important moderator in the relationship between job satisfaction and propensity to leave. However, past studies have not considered experience of the sales person in the industry as a possible moderator in the relationship between job satisfaction and intention to leave. This is in fact quite intriguing since experience as measured in terms of job stages has been considered in numerous research studies on sales force management. For instance Falharty and Pappas (2002) looked into the influence of career stages on job attitudes and Mehta, Anderson and Dubinsky (2000) looked into the perceived importance of rewards for the sales managers in the context of career stages. Of course though career stages and experience are closely linked, it may not be totally correct to substitute each other. Experience, though has been considered as a moderating construct with regard to the various antecedents of job satisfaction and job satisfaction of sales people. Kohli (1989) for instance considered experience as a possible moderator for the relationship between sales person's responses to supervisory behavior, especially the two most important constructs viz. initiation to structure and consideration. Churchill, Ford and Walker (1976) in their study have considered experience to be a moderating variable to the relationship between organizational climate and job satisfaction. In this study we consider industry experience as the moderating variable in the relationship between a salesperson's satisfaction with the present organization and his/her (dis)inclination to quit the organization. A sales person's experience and industry experience are more or less the same, however, it is quite possible that a sales person might have not been in the sales function and has just entered the sales function of the organization.

Industry experience affects the sales persons in different ways in the context of their commitment to the organization. Experience, for instance, would give the sales person greater confidence about finding alternative employment opportunities, greater expectations about rewards, or even a greater estimation about his/her contribution to the organizational effort. A sales person with high levels of industry experience will be much more informed about compensation packages and work conditions in other comparable organizations due to his/her direct or indirect experience with other organizations in the same field. Thus, due to a higher degree of knowledge of the general industrial practices as well as a better capability to interpret and analyze organizational situations, a sales person with higher levels of industrial experience will be more refined in his reaction to various attributes that may lead to job satisfaction. To borrow from Herzberg's motivational theory, quite a lot of factors that may satisfy a less experienced salesperson would appear to be hygiene factors for sales persons with higher levels of industry experience. On the other hand, in case a highly experienced sales person is highly satisfied with a particular work attribute, that satisfaction would be a consequence of a more well informed and rigorous comparison and could thus lead to a stronger resolve to stay back in the organization than in the case of a less experienced sales person who may express high levels of satisfaction with several attributes related to the job, but may not necessarily be equally strong in their resolve. It could also happen that sales people with less experience are always looking for better opportunities and therefore despite being satisfied with their preset job, they may have greater inclination to leave. Thus, experience may have a positive or negative moderating role in the relationship between a sales person's satisfaction with the job and his/her inclination to quit. What ever be the direction of the moderating effect it is quite clear that the moderating effect is logically plausible.

#### **Facets of Job satisfaction**

Several studies on job satisfaction of industrial sales people have followed a multi attribute approach to define and measure job satisfaction. Churchill, Ford and walker (1974) in their pioneering study defined job satisfaction in terms of seven attributes. These attributes dealt with satisfaction related to the sales person's: (i) Job (ii) fellow workers (iii) Supervision (iv) company policy and support (v) pay (vi) Promotion and advancement and (vii) customers. This classification of job satisfaction attributes for sales persons was more or less followed in subsequent studies though in certain studies job satisfaction measures developed in the larger organization context was modified for measuring job satisfaction of sales persons (eg. Kohli,1989; Falhearty and Pappas, 2002). The multiplicity of approaches necessitates the adoption of context specific methodologies for identifying different facets of job satisfaction.

The present study was carried out among the sales persons in a pharmaceutical organization in India. Due to the peculiarities of the task environment and the distinctive cultural orientation, it became necessary to define job satisfaction in a contextually meaningful manner. In order to understand the dimensions of job satisfaction, we conducted a series of depth interviews with sales people as well as sales managers in the organization. The main objective of this qualitative research was to understand the structure and components of the job satisfaction construct relevant to the cultural and organizational context of the sales people. The qualitative research also provided us with

the opportunity to develop context specific items to measure the job satisfaction construct. The qualitative research led to the identification of five dimensions for describing job satisfaction. These dimensions comprise of: (i) Satisfaction with the overall human resources related policies and strategies (ii) satisfaction with compensation (iii) satisfaction with supervisory behavior (iv) satisfaction with the extent of task clarity and (v) satisfaction with the career prospects in the organization. While these dimensions broadly follow the dimensions developed by Churchill, Ford and Walker (1974), they do differ in certain aspects.

## Satisfaction with Overall Human resources Policies and Strategies

Through our discussions and depth interviews with sales persons one main dimension of job satisfaction that emerged was the overall satisfaction with the Human Resources policies and strategies of the organization. This is often verbalized in terms of such statements like "This company always acts for the well being of its personnel" or the "I am satisfied with the overall working conditions". This is a reflection of the trust in the organisation's inclination in favor of its employees. The informed sales persons tend to analyze the strategy of their present organization in terms of its present strategies, policies and programs. Elements of the domain that emerged out of the survey and which were included in operationalsing this construct include "the extent to which the management is fair in its policies towards personnel", "A clear path for the employee's advancement". "Confidence in the leadership", "the provision for training". While issues like supervisory behavior and compensation form part of the micro issues regarding a sales person's engagement with the organization, the overall policies and strategies regarding the personnel is associated with a macro perspective with regard to a sales person's evaluation of the organization. For instance, even if the particular supervisor is fair and empathetic, if the overall policies of the organization with regard to personnel are not up to the satisfaction level of the sales person, he/she may be inclined to quit. Being boundary spanners, it is often the sales force who get a first hand opportunity to compare the personnel related strategies and policies of the company with that of other companies. It is quite possible that strategies that are perceived as unfair or that which are comparatively inferior to that of the other organizations might create sufficient levels of dissatisfaction in the minds of the sales persons so that they are more inclined to quit. People with high levels of industry experience are better equipped to both analyze weak strategies on the part of the organization as well as better positioned to take up other employment. Thus sales persons with high levels of experience are more inclined to quit in the face of a lower level of satisfaction with the strategies of the organization. On the other hand, a less experienced person with higher levels of satisfaction will be more inclined to stay due to both his/her relative lack of other options as well as because of a sense of optimism with the organization. Thus:

H<sub>1</sub>: A sales person's level of industrial experience moderates the relationship between the level of satisfaction with the overall human resources policy of the firm and his/her (dis) inclination to quit the organization.

 $H_{1a}$ : For a particular level of satisfaction with the overall human resources policies of an organization, a sales person with higher levels of experience will be less inclined to quit than a sales person with lesser levels of experience. In other words, Industry experience positively moderates the relationship between level of satisfaction with the overall human resources policies of the firm and a sales person's disinclination to quit

## **Satisfaction with Supervisor**

The satisfaction with supervision has been widely discussed in the sales person satisfaction research. Churchill, Ford and Walker (1974) consider this facet as one of the dimensions of job satisfaction. Later studies have analyzed this variable in terms of different dimensions like supervisory trust (Mulki, Jramillo and Locander, 2006) supervisory behavior types (Kohli, 1989) etc. From our interviews with the sales persons, it became very evident that the behavior and attitude of the supervisor was one of the main components of job satisfaction. Several sales persons stated very explicitly their positive (negative) feelings about the supervisor as an important dimension of their satisfaction with the job. An experienced sales person can be assumed to be very sensitive about the quality of supervision. At low levels of satisfaction with the

supervision, an experienced sales person can be expected to be much more inclined to leave than a less experienced sales person who may be willing to tolerate poor supervision for the sake of several other considerations. Further, in the case of a highly experienced sales person, high levels of satisfaction with the supervisor might not necessarily affect the disinclination to leave merely due to the. Thus:

H<sub>2</sub>: A sales person's level of industry experience moderates the relationship between the sales person's level of satisfaction with supervision and his/her intention to quit.

 $H_{2a}$ : At low levels of satisfaction with the supervisor, a sales person with higher levels of experience will be more inclined to leave than a sales person with less experience and

 $H_{2b}$ : at high levels of satisfaction with the supervisor, a less experienced sales person might not be as disinclined to leave as a highly experienced sales person.

## **Satisfaction with Compensation levels**

Churchill, Ford and walker (1974) consider compensation as one among the dimensions of job satisfaction among sales people. Satisfaction with the compensation plan would therefore inevitably influence a sales person's inclination to leave. However, the extent to which a salesperson who is satisfied with the compensation package will stay back would also depend on his overall assessment of various factors like, the compensation package in other organization in relation to the work load, the possibility of getting better compensation packages etc. These factors are all directly related to a sales person's level of industrial experience. Hence, a sales person's level of industrial experience in the field can be assumed to moderate the direct relationship between the two constructs. For instance, an experienced sales person has a much more well informed assessment about the compensation package and hence with higher levels of satisfaction, his/her strength of disinclination to quit will be much more higher than that of a relatively less experienced sales person as he/she is not sufficiently informed about the industry standards as a comprehensive knowledge about compensation. At the same time a highly experienced

sales persons with less satisfaction with the compensation will be that much more inclined to quit than a less experienced sales person with the same lower level of satisfaction with the compensation package.

Thus:

H<sub>3</sub>: The level of industry experience moderates the relationship between a sales person's level of satisfaction with the compensation package and the (dis)inclination to quit the present job

 $H_{3a}$ : At lower levels of satisfaction with the compensation package, a sales person with higher levels of industry experience will be more inclined to quit the organization than a sales person with lower levels of industry experience and

H<sub>3b</sub>: At higher levels of satisfaction with the compensation package, a sales person with a higher level of industry experience will show greater disinclination to quit than a sales person with lower level of industry experience.

## Satisfaction with task clarity

Based on our qualitative research, an important dimension of job satisfaction that emerged was the satisfaction with the decision making and reporting system. This dimension was verbalized in terms of lack of ad hoc decisions, well defined job responsibilities, uncompromising and transparent application of rules etc. It was felt that sales persons prefer a system where the rules and roles are well defined and implemented. This apparently gives them a fair chance of assessing their career progression and we label this construct as 'task clarity' since the construct effectively implies a level of satisfaction with how the task is properly defined and implemented. Past studies have considered such constructs like 'role ambiguity' (Behrman and Perreault, 1984; Churchill, Ford and Walker, 1976). The extent to which a sales person is satisfied with the task clarity influences his/her intention to quit. However, a sales person's industrial experience plays an important part in determining the extent to which the satisfaction with task clarity affects his/her (dis)inclination to quit. For instance, experienced sales

persons are expected to prefer lack of task uncertainly since it gives them more opportunities to work independently. Here, it should be understood that this dimension does not deal with the satisfaction with rules and procedures per se but the extent to which these are followed in a transparent and uncompromising manner by the management.

#### Thus:

H<sub>4</sub>: Industrial experience moderates the relationship between a sales person's level of satisfaction with the task clarity and his/her intention to quit.

 $H_{4a}$ : Level of Industry experience of a sales person is expected to reduce the strength of the relationship between the level of satisfaction with task clarity and lack of intention to quit.

#### **Satisfaction with Career Development**

This dimension is associated with the perceived satisfaction with the extent to which the sales person is able to apply himself and gets opportunities to grow. The opportunities and promotion dimension used by Churchill, Ford and walker (1974) comes close to this construct. But this construct is also related to the extent to which the sales person feels that his skills are adequately utilized and are given opportunities to grow. While this aspect of job satisfaction is bound to critically affect the intention to leave, the moderating effect of a sales person's experience in this context cannot be ruled out. Experienced people for instance are in a much better position to assess the extent to which their skills are adequately being used and their opportunities to grow related to that they would receive in other organizations. Thus, at high levels of satisfaction with career development opportunities, an experienced sales person would be stronger in their resolve to stay in the organization. At lower levels of satisfaction with this attribute, highly experienced sales people would be the first to leave since they have a good idea about better opportunities. Thus:

H<sub>5</sub>: a sales person's level of industrial experience has a moderating effect on the relationship between satisfaction with career development and (dis) inclination to leave.

 $H_{5a}$ : At higher levels of satisfaction with career development a salesperson with higher experience will be more disinclined to leave than a sales person with lesser level of experience.

H<sub>5b</sub>: At lower levels of satisfaction with career development, a sales person with higher industrial experience will be more inclined to leave than a sales person with lower levels of industrial experience.

## **Study**

The study was carried out with the sales persons with a large pharmaceutical company in India. The study involved primarily two stages. The first stage involved a qualitative study process where groups of sales persons were contacted through in depth interviews and focus group discussions. The main objective of this phase was to understand the factors that lead to job satisfaction among the sales people as well as their degree of inclination to leave. Based on the results of the first phase, the measurement scales were developed for use in the study. The questionnaire was administered to 80 sales persons in the organization individually over a period of three weeks. The sample consisted of over 40% of the total sales persons of the company. The average age of the sample was 28 years and the average experience of the sample was over 4 years with a maximum of 14 years and a minimum of 1 year. This was the experience of the sales person in the pharmaceutical industry and not necessarily in the organization. All the sample elements were males.

#### **Measures**

The facets of job satisfaction were measured using scales that were developed for the study. Thus was necessary to test the content, criterion and construct validity of the measures. The scale development process followed the methodology suggested by Churchill, (1979). As per this methodology, items developed were subjected initially to face validity tests by a small team of experts and items that were filtered through this process were used in the questionnaire. After this, the utility of the items were tested

through item to total correlation and items which were not suitably correlated to its own latent measure were dropped. Subsequently, through exploratory factor analysis, those items which did not share the dimensionality of the measure were dropped. The remaining items were subjected to a Confirmatory factor analysis (CFA) using the AMOS.4 package to test the convergent and discriminant validity.

Satisfaction with organizational policies and strategies were measured with the help of five statements using a five point likert scale. The statements are provided in appendix-A. The initial scale consisting of ten statements was reduced to five statements on the basis of the item to total correlation, EFA and CFA process. Satisfaction with supervisory behavior was measured using six likert type statements. Satisfaction with the compensation was measured using six likert type statements while satisfaction with the task clarity was measured using three statements. The satisfaction with career development prospects was measured using three statements. Table 1 gives the means, standard deviations and correlations between the measures. Experience in the industry was measured using a single item which enquired about the experience of the salesperson in the industry. Intention to leave was also measured using a single item which asked the sales person about the likelihood of his leaving the organization. The response was recorded using a five point scale anchored between "immediately to", "not in the near future. This approach is followed by several authors (eg. Futrell and Parasuraman, 1984; Busch, 1980 etc.). Thus the dependent variable used in the subsequent analysis was disinclination to quit and not inclination to quit.

See Table No.1

## Unidimensionality, Convergent Validity and Reliability of the Measures:

Unidimensionality of the measures were assessed using the confirmatory factor analysis method. In this method, a measurement model is specified for each construct. In this model, individual items constituting the construct are examined to see how closely they represent the same construct. Confirmatory factor analysis was used to assess the unidimensionality of the constructs. A goodness of fit index (GFI) of 0.90 or higher for

the model suggests that there is no evidence of a lack of unidimensionality (Joreskog and Sorbom, 1993). Table.2 presents the GFI indices of all the five constructs. All the five constructs have their values above 0.90, which goes to indicate that evidence for lack of unidimensionality is not found in any of the constructs. Reliability of the measurement scales was assessed by Cornbach's coefficient alpha. Values of 0.7 and above for coefficient alpha is considered to indicate strong reliability for the scale (Nunnally, 1978). Table 3 presents the reliability coefficients for all the five constructs. Since all the five constructs have coefficient alpha values above 0.7, reliability of the scale is established. Convergent validity of the model was assessed using the Bentler and Bonett's (1980) incremental fit index. A Bentler Bonett fit index value of more than 0.90 is considered by researchers to be a satisfactory fit index (Bentler and Bonett, 1980). Table.2 lists the Bentler Bonett fit index value for all the five constructs. Since all the constructs have a Bentler Bonett index value of more than 0.90, convergent validity of the measures are established

## **Discriminant Validity:**

To assess discriminant validity of the measures the nested model confirmatory factor analysis was used. In this method confirmatory factor analysis was run on pairs of measures initially with unconstrained inter-construct correlations and then with the inter-construct correlations fixed at unity. The difference between the Chi-square goodness of fit values of the constrained and unconstrained models is used as an indicator of discriminant validity of the constructs. If the Chi-square values are significant, the discriminant validity of the measures is considered to be established (Anderson and Gerbing, 1988). Table.3 lists the Chi-square goodness of fit values of the ten pairs of tests and the difference between the Chi-Square values of the constrained and unconstrained models. The respective degrees of freedom are shown in brackets. As the table indicates all the Chi- Square differences between the constrained and unconstrained models were significant based on the one-degree freedom of difference thus providing evidence of discriminant validity between the constructs in the model.

See Table No.2 and Table No.3

#### **Data Analysis**

The hypothesis were tested using moderated multiple regression analysis. Past studies have used this technique for determining the influence of potential moderator variables (eg. Stone and Hollenbeck, 1989, Baron and Kenny 1986, Stank, Emmelhainz and Daugherty, 1995). The approach recommended by Cohen and Cohen (1983) was followed for applying the MMR technique. The tests for the three potential moderators were assessed through three separate regression equations. The independent variable here is perception of economic satisfaction. Here we follow the approach specified by Sharma, Durand and Gur arie, (1981) to identify the nature of the moderator variable. As per this approach, three regression equations are considered:

$$Y = a + b_1 X$$
 .....(1)

$$Y = a + b_1 X + b_2 M$$
 .....(2)

$$Y = a + b_1X + b_2 M + b_3 X*M \dots (3)$$

Where Y is the dependent variable, X is the independent variable and M is the potential moderating variable. As per Sharma, Durand and Gur arie (1981), M, can be deemed as a pure moderator, if equations (1) and (2) should not be different but should be different from equations (3) ie. b2 = 0 but  $b3 \neq 0$ . However if  $b2 \neq b3 \neq 0$ , then, M is called as a quassi moderator. Such a variable is both a predictor as well as a moderator at the same time.

## Moderating effect of Industry experience with Satisfaction with Organizational Policies and Strategies as the Independent variable

The moderating effect of Level of Industrial experience of the sales person on the relationship between a salesperson's level of satisfaction with the overall organizational policies and strategies and his intention to quit the organisation was assessed using the three regression equations. In equation (1), the independent variable was the sales person's level of satisfaction with the overall organizational policies and strategies, in

equation (2) the independent variables were: (a) the sales person's level of satisfaction with the overall organizational policies and strategies as (b) the sales person's level of Industrial experience and in equation (3) the independent variables were (a) the sales person's level of satisfaction with the overall organizational policies and strategies (b) the sales person's industrial experience and (c) the cross product of the two independent variables mentioned in equation (2). The dependent variable was the sales person's level of disinclination to leave. The results of the three regression analysis are given in table. 4

#### See Table No.4

The beta values generated by the three equations show that a sales person's level of Industrial experience has significant moderating effect in the relationship between a sales person's overall satisfaction with the policies and strategies of the organization and his/her intention to quit. The increase in the  $R^2$  value from the second to the third equation testifies to this. Thus  $H_1$  is supported. The moderating effect is illustrated in fig.1 where the interaction effect is plotted using the methodology suggested by Aiken and West (1991). As hypothesized, industrial experience has a positive moderating effect with high levels of industrial experience leading to a stronger relationship and lower levels of experience resulting in a much weaker relationship. Thus  $H_{1a}$  is also supported.

## See Figure No.1

## Moderating effect of Industry Experience when Satisfaction with Supervision is the Independent Variable

The moderating effect of industry experience on the satisfaction with supervision, disinclination to quit relationship was assessed using three regression equations. In equation (1), the independent variable was a sales person's level of satisfaction with supervision, in equation (2) the independent variables were: (a) sales person's satisfaction with the supervision as well as (b) the sales person's level of industrial experience and in equation (3) the independent variables were (a) the sales person's level of satisfaction with supervision (b) the sales person's level of industrial experience and (c) the cross

product of the two. The dependent variable was the sales person's disinclination to leave. The results of the three regression analysis are given in table. 5

#### See Table No.5

The results indicate that Industry experience has a significant moderating effect as hypothesized. The increase in the  $R^2$  value from the second equation to the third equation was substantial. Thus  $H_2$  is supported. The direction of the moderating effect is illustrated in figure.2. As per the figure, at high levels of satisfaction, sales person with low levels of satisfaction is more disinclined to leave than the sales person with high levels of experience thus  $H_{2b}$  is not supported. At the same time  $H_{2a}$  is supported since at low levels of satisfaction, the highly experienced sales person is less disinclined to leave then the less experienced sales person. The refutation of  $H_{2b}$  is probably because, the experienced sales person considers good supervision as a hygiene variable and hence does not consider it be an important aspect in terms of his/her decision to leave.

## See FigureNo.2

## Moderating effect of Industry Experience when Satisfaction with Compensation policy as the independent variable

The moderating effect of the level of experience in the relationship between satisfaction with the compensation policy and intention to quit was assessed using the three regression equations. In equation (1), the independent variable was the sales person's level of satisfaction with the compensation policy, in equation (2) the independent variables were: a) sales person's level of satisfaction with the compensation policy as well as b) the level of Industrial experience (3) the independent variables were (a) sales person's level of satisfaction with the compensation policy the (b) the Industrial experience and (c) the cross product of the two. The dependent variable was the sales person's disinclination to leave the organization. The results of the three regression analysis are given in table. 6

#### See Table No.6

The change in  $R^2$  value from the second equation to the third equation provides evidence to the significant moderating effect of Industrial experience. Thus, H3 is supported. The direction of the moderating effect is illustrated in figure. 3. as per the figure, while H3b is supported,  $H_{3a}$  is refuted. It is seen that among highly industrialized sales persons, the disinclination to quit is generally higher than that of less experienced sales people. The industry experience seems to have a positive moderating impact on the relationship between satisfaction with compensation to a sales person's intention to quit. This probably is because of the less experiences sales person's general estimate about the availability of better compensation packages in other organizations.

## See Figure No.3

## Moderating Effect of Industry experience when satisfaction with Task clarity is the Independent variable

The moderating effect of the level of experience in the relationship between satisfaction with the task clarity and intention to quit was assessed using three regression equations. In equation (1), the independent variable was the sales person's level of satisfaction with the task clarity, in equation (2) the independent variables were: a) sales person's level of satisfaction with the task clarity as well as b) the level of Industrial experience (3) the independent variables were a) sales person's level of satisfaction with the task clarity and b) the Industrial experience and c) the cross product of the two. The dependent variable was the sales person's disinclination to quit. The results of the three regression analysis are given in table. 7

#### See Table No.7

The  $R^2$  values and the significance levels attached to the f values testify to the poor moderating effect of Industry experience. Thus  $H_4$  and therefore  $H_{4a}$  is not supported. Further as per the first and second equation, satisfaction with task clarity does not have much of an impact on Intention to quit. This is contrary to our expectations.

It could probably be because of the fact that satisfaction with task clarity is not considered as important enough to influence the intention to quit of a sales person. While significant task clarity does affect satisfaction of the sales person, as a construct it is not considered as important enough to influence his/her intention to quit.

## Moderating Effect of Industry Experience when Satisfaction with Career development is the Independent variable

The moderating effect of the level of experience in the relationship between satisfaction with the task clarity and intention to quit was assessed using three regression equations. In equation (1), the independent variable was the sales person's level of satisfaction with the task clarity, in equation (2) the independent variables were: a) sales person's level of satisfaction with the task clarity as well as (b) the level of Industrial experience (3) the independent variables were (a) sales person's level of satisfaction with the task clarity and (b) the Industrial experience and (c) the cross product of the two. The dependent variable was the sales persons' disinclination to quit. The results of the three regression analysis are given in table. 8

#### See Table No.8

The results indicate that a sales person's industry experience has a significant moderating effect on the relationship between satisfaction with career development prospects and lack of intention to quit. Thus  $H_5$  is supported. The direction of the moderating effect is illustrated in fig.4. Here again while  $H_{5a}$  is supported,  $H_{5b}$  is not supported. The level of industry experience seems to be having a general positive moderating effect on the relationship between satisfaction with career development and disinclination to quit.

## See Figure No. 4

#### **Discussion**

The study looked at the moderating effect of a variable that has hitherto received little attention. Industry experience is an important variable since this determines a sales person's knowledge about the industry as well as his/her assessment about the state of the company he/she works. As the study proves, industry experience has a role in moderating the relationship between a sales person's satisfaction with the different facets of the job and his/her intention to quit. Past studies have given substantial importance to this relationship since sales force turnover is a matter of major concern to many organizations. This study adds to the knowledge in this domain by considering an important though hitherto not widely researched moderating variable. To the practitioners, this study offers significant insights in terms of considering the industry experience of a sales person as an important aspect of a sales person's character. While experience as well as the a sales person's stage in career has been considered very seriously in the past, this study urges the practitioner to also take into consideration the total industry experience. In sectors where there is high sales force turnover, a sales person might have significant information about almost all other organizations and will be better informed about the situation in other organizations. Even those sales persons who have worked throughout in the same organization, through interaction with sales persons from other organizations, substantial knowledge about other organization are built up. The insights provided by the study have immense significance especially in those industry sectors where the sales force typically shifts from one organization to another with ease. In these instances, the organization has to device more focused and better thought out strategies to retain talent.

The study is not bereft of limitations. The entire sample belonged to the same organization and all the sample elements were male. This limits the generalisability of the results.

## **Appendix-A**

## Items for Measuring the Dimensions of Job satisfaction

Satisfaction with Human resources management policies of the organization:

- 1. Management has a clear path for employee's advancement
- 2. Decisions are made keeping in mind the good of the employees
- 3. Management is extremely fair in personal policies
- 4. Physical working conditions are supportive in attaining targets
- 5. Innovativeness is encouraged to meet business problems

## Satisfaction with Supervision

- 1. I feel I can trust what my supervisor tells me
- 2. My supervisor treats me fairly and with respect
- 3. My supervisor handles my work-related issues satisfactorily
- 4. I get frequent appreciation of work done from supervisors
- 5. I get enough support from the supervisor
- 6. Individual initiative is encouraged

#### Satisfaction with Compensation levels

- 1. Overall I am satisfied with the company's compensation package
- 2. I am satisfied with the medical benefits
- 3. I am satisfied with the conveyance allowance
- 4. I am satisfied with the retirement benefits
- 5. I am satisfied with the reimbursement of the expenses as per the eligibility
- 6. I am satisfied with the holiday (vacation) eligibilities

## Satisfaction with task clarity

- 1. Management decisions are Ad Hoc and lack professionalism (reverse scaled)
- 2. Rules and procedures are followed uncompromisingly
- 3. My job responsibilities are well defined and clear

#### Satisfaction with career development

- 1. I have adequate opportunities to learn and grow
- 2. I get opportunities to handle greater responsibilities
- 3. My skills and abilities are adequately used at work

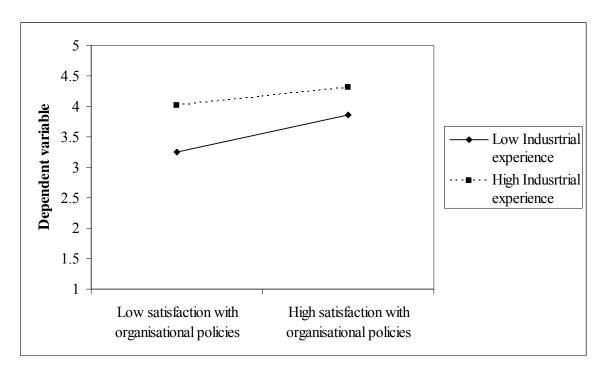


Fig.1 Moderating effect of Industrial experience with Level of satisfaction with organizational policies and strategies as independent variable

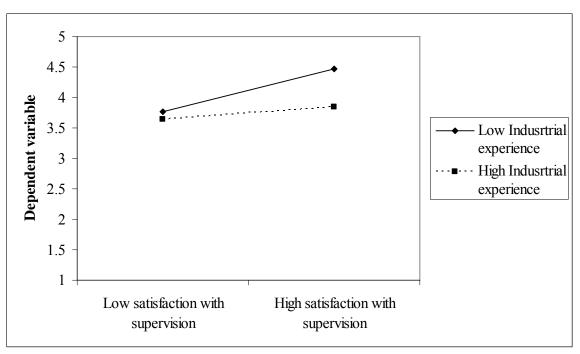


Fig.2 Moderating Effect of Industrial Experience with level of satisfaction with supervision as independent variable

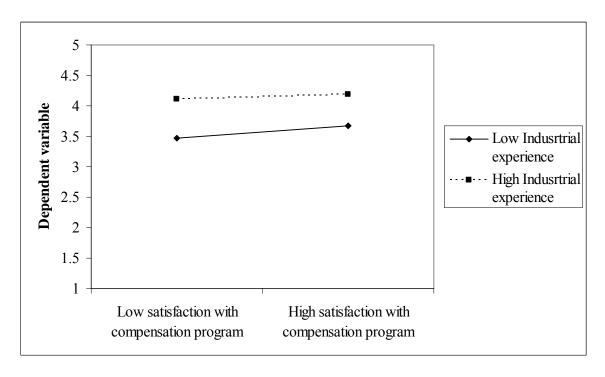


Fig.3 Moderating role of industrial experience when level of satisfaction with the compensation program is the independent variable

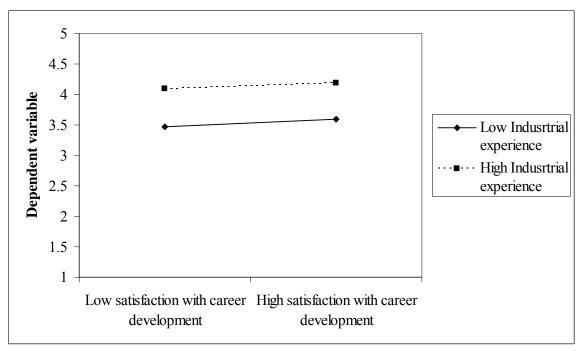


Fig.4 Moderating Effect of Industrial Experience with Satisfaction with career development as the independent variable.

Table.1. Mean, standard deviation and inter construct correlation of the measures

	Mean	S.D					
Satisfaction with overall HR	3.55	.922	1				
policies and strategies of the							
organization							
Satisfaction with	3.639	1.099	0.482	1			
supervision							
Satisfaction with	3.251	1.079	0.366		1		
compensation package							
Satisfaction with task clarity	3.595	0.615	0.342			1	
Satisfaction with career	4.249	0.991	0.450			0.068	1
development prospects							

Table.2. Convergent validity, reliability and unidimensionality of the constructs

		Number	GFI	Cornbach's	Bentler
	Construct	of		alpha	Bonett's index
		indicators			
1.	Satisfaction with Organizational	5	0.912	0.755	0.94
	Policies and Strategies				
2.	Satisfaction with Supervisor	6	0.90	0.757	0.90
3.	Satisfaction with Compensation levels	6	0.944	0.855	0.95
4.	Satisfaction with task clarity	3	0.93	0.825	0.91
5.	Satisfaction with Career Development	3	0.90	0845	0.935

Table.3. Discriminant validity of the constructs

Test No.	Description of the test	Chi-Square constrained model (df)	Chi-Square Unconstrained model (df)	Difference
1.	Satisfaction with organizational policies and Satisfaction with Supervisor	405.65 (90)	380.4 (134)	25.25
2.	Satisfaction with organizational policies and Satisfaction with Compensation levels	233.1 (64)	244.7 (65)	11.6
3.	Satisfaction with: organizational policies and Satisfaction with task clarity	236.29(53)	278 (54)	41.71
4.	Satisfaction with: organizational policies and Satisfaction with career development	144.37 (43)	163.785 (44)	19.41
5.	Satisfaction with supervisor and Satisfaction with Compensation levels	238.0 (53)	258.5 (54)	20.5
6.	Satisfaction with supervisor and Satisfaction with task clarity	236.76 (43)	258.6 (44)	21.84
7.	Satisfaction with supervisor and Satisfaction with career development	178.2 (34)	207.0 (35)	28.8
8.	Satisfaction with compensation levels and satisfaction with task clarity	139.887 (26)	181.357 (27)	41.5
9.	Satisfaction with compensation levels and satisfaction with career development	60.00 (19)	73.9 (20)	13.9
10.	Satisfaction with task clarity and satisfaction with career development	41.58 (13)	84.4 (14)	43.8

Table.4. Moderator regression results with Satisfaction with overall policies and strategy as independent variable

	Equation	(1)	Equation (2)		Equation (3)	
values	Beta	P value	Beta	P value	Beta	P value
Constant	2.934	0.01	2.192	0.007	1.32	0.08
Satisfaction with overall policies and strategies	0.261	0.03	0.249	0.015	0.476	0.012
Industry Experience			0.246	0.03	0.524	0.005
Cross product of Satisfaction with overall policies and strategies and industry experience					-0.073	0.002
R square	.033		.038		.065	
Significance level of F	0.001		0.001		0.001	

Tabl.5. Moderating effect of Industrial experience with satisfaction with supervision as the independent variable.

	Equation (1)		Equation (2)		Equation	(3)
values	Beta	P value	Beta	P value	Beta	P value
Constant	4.539	0.12	3.704	0.023	2.56	0.01
Satisfaction with supervision	.186	0.11	0.171	0.07	0.52	0.02
Industry Experience			0.243	0.011	0.2	0.04
Cross product of Satisfaction with supervision and Industry Experience					-0.1	0.01
R square	0.032	•	0.042		0.062	•
Significance level of F	0.00		0.00		0.00	

Table.6. Moderating effect of Industry experience with satisfaction with the compensation program as the independent variable

	Equation (1)		Equation (2)		Equation (3)	
values	Beta	P value	Beta	P value	Beta	P value
Constant	3.741	0.01	2.918	0.03	2.72	0.05
Satisfaction with the compensation program	0.037	0.02	.040	0.04	0.1	0.1
Industrial Experience	N.A		0.254	0.11	0.313	0.14
Cross product of Economic satisfaction and the level of collaborative communication	N.A		N.A		0.777	.139
R square	0.017		0.029		0.049	1
Significance level of F	0.001		0.05		0.09	

Table.7. Moderating effect of industry experience in the relationship between satisfaction with task clarity and disinclination to leave

	Equation (1)		Equation (2)		Equation	(3)
values	Beta	P value	Beta	P value	Beta	P value
Constant	4.8	0.12	3.876	0.15	4.077	0.14
Satisfaction with task clarity	-0.278	0.21	-0.215	0.21	-0.267	0.22
Level of Industry experience	N.A		0.237	0.1	0.179	0.24
Cross product of satisfaction with task clarity and Industry experience	N.A		N.A		0.16	0.24
R square	0.13	•	0.046		0.048	
Significance level of F	0.11		0.12		0.22	

Tabl.8. Moderating effect of Industry experience in the relationship between satisfaction with career development and disinclination to leave

	Equation	(1)	Equation (2)		Equation	(3)
values	Beta	P value	Beta	P value	Beta	P value
Constant	3.72	0.22	2.787	0.11	2.684	0.15
Satisfaction with career development prospects	0.033	0.24	0.059	0.22	0.083	0.23
Industry experience	N.A		0.257	0.03	0.29	0.08
Cross product of satisfaction with career development and Industry experience	N.A		N.A		007	0.033
R square	0.013		0.039	•	0.62	•
Significance level of F	0.022		0.021		0.035	

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