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Understanding Cross-Cultural Sales Manager-Salesperson Relationships in the Asia-Pacific Rim Region: A Grounded Theory Approach

The Asia-Pacific Rim region represents one of the fastest-growing and culturally diverse regions in the world. The International Monetary Fund shows Asia continues to be the main engine in this region, accounting for more than 60% of global growth (International Monetary Fund 2018). The United Nations predicts growth will continue to be robust in the near future (United Nations 2018), and experts forecast that Asia’s 38.8% share of the world gross domestic product (GDP), expressed in real U.S. dollar purchasing power parity, will continue to rise (Barua 2015). U.S. companies have sought to capitalize on this growth via significantly increased investments in sales and marketing in Asia (Jamrisko 2017).

Unfortunately, at a time when sales organizations are investing in the Asia-Pacific Rim, the research investigating this important cultural zone is deficient. In fact, we could find only 29 articles written since 1988 that have investigated sales/sales management in the Asia-Pacific Rim region, with only 16 of these studies examining cultural issues (Table 1). What our current research is lacking is an understanding of: (1) the key issues facing sales managers in their relationships with the local sales representatives they supervise—across cultural boundaries—in the Asia-Pacific Rim; (2) the complexity of these issues; and (3) how these issues affect sales performance outcomes.

The purpose of this exploratory research is to begin addressing these three gaps in our knowledge base. Because current research does not provide sufficient guidance for sales managers given the uniqueness of these cross-cultural settings, we take a grounded theory approach to analyze data from interviews with international sales managers working across cultural boundaries in the Asia-Pacific Rim.


**Previous Sales Management Research Focused in Asia-Pacific Rim**

Our review of the literature reveals a lack of systematic research on global issues related to sales management. To identify studies examining sales management issues in our region of interest, we searched two library databases (Business Source Premier and Psychological & Behavioral Science Collection) using the terms “sales management,” “Asia,” “Asia-Pacific,” as well as each country in the region. We identified 29 articles published from 1988-2018 that either included sales managers in the study sample or sales management-related constructs (e.g., salesforce control systems) in the study design. Only five topics were the focus of more than one article: 15 (51.7%) studied salesforce control systems, three (10.3%) investigated leadership, two (6.9%) investigated relationships, two (6.9%) examined salesforce management, and two (6.9%) studied sales manager trust. The remaining topics were each the focus of a single study: cultural differences, gender differences, global account management, marketing/sales interface, motivation, sales management succession, and sales organization effectiveness (Note: several studies studied multiple topics).

[Table 1 about here]

Of these 29 articles, 16 (55.2%) explored cultural issues or country differences. Figure 1 displays the topic areas in which these studies made their key contributions. What we have learned from this research is that differences can exist in Western and Eastern samples regarding the effects of salesforce control (e.g., Fang, Evans, and Landry 2005), trust development and the relationships between trust and other variables (e.g., Atuahene-Gima and Li 2002), the effects of cultural variables (e.g., Sharma 2016), approaches to leadership (e.g., Mulki, Caemmerer, and Heggde 2015), models of global account management (Ellis and Iwasaki 2018), and responses to
female managers (e.g., Liu, Comer, and Dubinsky 2001). Taken together, these studies suggest an ad hoc approach to our research on sales management in the Asia-Pacific Rim.

[Figure 1 about here]

Our existing sales research conducted in the Asia-Pacific Rim lacks a broad understanding of the key cultural issues facing sales managers as they direct salespeople residing in the Asia-Pacific Rim region, as well as an understanding of how those issues relate to the sales manager-salesperson relationship. Other researchers agree with this sentiment, lamenting the lack of research in this area (e.g., Baldauf and Lee 2011; Panagopoulos et al. 2011; Schrock et al. 2018). In the next section we review a preliminary theoretical foundation.

**Preliminary Theory**

In his conceptual work comparing developed and emerging markets, Sharma (2016) recommends the work of Meyer (2014a, b) as an appropriate theoretical foundation for cross-cultural work. We agree that Meyer’s (2014a, b) work can be useful, particularly because her framework focuses on issues affecting relationships between two people, such as a buyer-seller or salesperson-sales manager (Sharma 2016). In developing her Culture Map (see Table 2), Meyer (2014a, b) draws from Hofstede (e.g., Hofstede 1980; Hofstede, Hofstede and Minkov 1991), House et al. (2002, 2004), Hall (e.g., 1976, 1983), and others, as well as her own work, to identify eight dimensions in which cultural gaps are experienced most frequently: communicating, evaluating, persuading, leading, deciding, trusting, disagreeing, and scheduling (see Table 2).

We find value in Meyer’s (2014a, b) Culture Map; yet, we also see a need for additional work in this area. Although the broad-based categories developed by Meyer (2014a, b) can be applied to a variety of cultural settings, they also lack distinctions that might arise in a specific
cultural context, such as that found in the Asia. Further, her work does not address the role of the sales manager specifically and, as such, does not offer specific guidance sales managers operating across Eastern cultures. Thus, we see an opportunity to extend and further develop Meyer’s (2014a, b) work with our grounded-theory study of the sales manager-sales person relationship in the Asia-Pacific Rim.

[Table 2 about here]

Research Method

Following the advice of previous researchers who cite the suitability of qualitative methods for exploring cultural differences (Javalgi, Granot and Brashear Alejandro 2011), and because the research in this area is developing, we chose grounded theory as the most appropriate method of analysis for this exploratory study (Corbin and Strauss 2008). Grounded theory is the most frequently used qualitative method in social science research (Gummesson 2003), and is well-suited for sales research specifically because this methodology facilitates meaningful insight into complex sales issues lacking theoretical development (Johnson 2015). As such, we use a grounded theory approach to build on the broad-based theoretical work of Meyer (2014a, b) and develop a more specific understanding of the issues affecting sales manager-salesperson relationships in the Asia-Pacific Rim region.

Data Collection

Data were collected via in-depth interviews. Such interviews prove an excellent technique for understanding respondents’ cross-cultural interactions because the use of open-ended questions results in rich data. Respondents can speak openly about their perceptions, feelings, and experiences (Fontana and Frey 1994; Marshall and Rossman 1995; McCracken 1988).
We developed an interview guide designed to provide a base from which a conversation would develop around areas of interest (Table 3). The questions included in the interview guide were constructed to solicit comments about the different issues that arise as sales managers work with and develop relationships with their direct-report sales representatives operating within Asian-Pacific Rim culture, as well as how those issues affect company outcomes. The interview guide was not a script, but rather, the interviewer started the conversation with a question from the guide and then asked follow-up questions to more fully explore the meaning behind respondents’ answers. With this approach, we gathered a rich data set around the central research topic.

[Table 3 about here]

Interviews lasting approximately 30-45 minutes were conducted with twenty-one respondents working in the business-to-business sales and marketing organization for a large multi-national technology firm. Although trade-offs certainly exist, data collection within a single firm allows us to focus on results resulting from cultural differences without the concern of interfering issues resulting from company differences.

When selecting potential respondents we undertook a theoretical sampling approach. That is, we selected study participants based on their extensive knowledge of the topic (Corbin and Strauss 2008; Johnson 2015). To maximize insights and theoretical understanding we sought to exploit the differences in respondents experiences and backgrounds while, at the same time, ultimately seeking consensus or saturation (Glaser and Strauss 2017). We concluded the interview process at 21 respondents because new concepts were not emergent, and saturation and redundancy were present (Corbin and Strauss 2008). Interviews were conducted either face-to-face or via telephone, and were recorded for subsequent transcription and analysis.
Respondents were largely male (76%) and college-educated, possessing either an undergraduate (67%) or graduate degree (33%). The predominance of men in our sample size is a reflection of an imbalance that many technology companies recognize as an issue, especially in some Asian countries (Chafkin 2014). The majority of respondents were aged 40-49 (71%), followed by 50-59 (24%) and 60-69 (5%). Country of birth for the sales managers in our sample included North America (38%), Asia (38%), Europe (19%), and South America (5%), and their scopes of responsibility ranged from Asia regional (48%), worldwide (33%), to Asia Country (19%). Job titles included “Technical Sales Manager,” “Japan Country Manager,” “Manager, Regional Influencer Sales Team,” and “Director of Sales,” among others.

Given the high percentage of males in our sample, we reviewed the data carefully to check for obvious differences between male and female respondents. The level of difference was minimal, and as such we proceeded with the combined data set.

Data Analysis

Grounded theory data analysis encompasses a three-step coding process: (1) open coding, in which initial higher-order codes are assigned to consequential quotes from respondents; (2) axial coding, a process by which open codes are analyzed to reveal core constructs and related categories; and (3) selective coding, i.e., the full integration of axial codes and development of theory (Cresswell and Poth 2018; Johnson 2015). Further, Ferlie et al. (2005) and Teo et al. (2008) recommend the use of a team approach in the analysis of qualitative data to improve external validity. Accordingly, we adopted a team approach in the coding and analysis of our data.

To begin the open coding process, one researcher read all transcripts and coded using NVivo 12. Transcripts were coded line-by-line to facilitate immersion in the data (Corbin and
Strauss 2008) and reduce the effects of researcher bias (Charmaz 2008). This step in the grounded theory methodology allows patterns and themes to emerge from the interview transcripts (Strauss 1987).

The open coding process resulted in 96 codes focused on behaviors, processes and outcomes. Next, the research team met to engage in axial coding. In line with researchers who recommend group consensus as an agreement goal (Brinkman and Kvale 2015; Harry, Sturges and Klingner 2005; Sandelowski and Barroso 2007), coding disagreements were discussed and resolved during an iterative axial coding process. Disputed codes were reclassified and/or aggregated as appropriate, in an effort to more accurately represent underlying constructs (Newman 2012). This process was repeated until the research team was in agreement on the coding scheme. Care was taken to achieve parsimony while at the same time identify core constructs and related categories. Codes mentioned by four respondents or less were either reclassified or eliminated as outliers.1 As a result, the number of codes was reduced to 23. Both the number of initial codes and reduced codes are in line with recommended guidelines (Lichtman 2013).

Selective coding was the final step in the grounded theory analysis. We engaged in further discussion to integrate the results of axial coding and generate a preliminary theory (Johnson 2015). This process led us to identify five key themes that we discuss in our results.

Results

Table 4 presents five main themes, and related subthemes, identified from the data. We distinguish local culture, i.e., the national culture of local salespeople and customers, from sales

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1 Because our sample is skewed toward male respondents, care was taken to ensure that the female voices were fully represented in our sample. Of the comments eliminated due to outlier status, none belonged to a female respondent.
manager culture, i.e., the national culture of the sales manager and, frequently, those at company headquarters. Some of the themes and subthemes we identified connect with much of what we know about relationships, processes and behavior in productive sales situations. However, what is outlined is notable by its increased importance in local culture settings.

[Table 4 about here]

**Building and Sustaining Cross-Cultural Relationships**

When respondents in our study referenced productive relationships, they highlighted the importance of relationship quality. Respondents referenced relationships with members of the salesforce as well as customers. Although the general topic of relationships was discussed widely, two main subthemes of formality and hierarchy capture much of the sentiment expressed.

*Formality* refers to a general sense that business is conducted in a more formal way than would be expected in a U.S./Western setting. More specifically, meetings are perceived as important and formal, and having some ceremonial meaning. In-line with a sense of formality, a manager adopting an informal dress code at meetings might erode trust by demonstrating a lack of knowledge and sensitivity of local customs and practice. This was seen as being likely to cause some offense and possibly demonstrate a lack of respect.

Connected with formality was *hierarchy*, a finding which aligns with Meyer’s (2014a, b) dimension of leading. Hierarchy refers to structures and processes that are either explicit and known, or embedded and learned. To exemplify this notion, one global sales manager referred to a “lead” person “at the table,” who clearly was the main spokesperson and decision maker, despite other attendees. None of the others expressed an opinion unless they were invited to contribute by the main figure, and all discussion focused on this person.
“...and when they came here, we structured ourselves in the same way that they did. We put the lead guy at the table, everybody else was in the background ... So you already had your roles predefined before the meeting got started.”

It was of importance for both the local culture buying team and local culture sales team that the main figure was placed at the center of discussions, regardless of the culture in which the meeting was held.

Undoubtedly, the concept of hierarchy can create real challenges for the sales manager. Consider, for example, a U.S. manager supervising a large region in Asia, who experienced frustration with a local Japanese sales representative dealing with hierarchical issues.

“He’s reluctant to kind of push beyond what his role should be. So he sees his role as not going direct to the end-user but going to the [local culture buying role] ... and so I think he kind of has a mindset of “This is my place in the order and the ecosystem, and this is where I should be,” versus trying to go directly to a decision-maker and influencer.”

In this instance, the regional sales manager was expressing concern for the inability of the representative to find the decision maker because of hierarchical expectations. He also noted that he had not come up with a strategy for dealing with the effects of formal hierarchy within the buying organization. As observed by another manager, “it takes quite a bit of effort to get them past the hierarchical.”

Hierarchy also drew out interesting insights regarding the juxtaposition of expected formality in certain settings, and the importance of informality in social settings. For example, it is considered important in all “good” relationships for the sales manager to socialize outside of work settings with both sales teams and buyer teams, although it is important to note this informal socialization occurred with male members of the buying and selling teams. This regularly includes significant quantities of alcohol, which of course generates significant informality! This continuum between formal and informal is clearly recognized by a male sales manager with experience in India, Singapore, Australia, Korea, and Japan, who stated:
“...in Japan and Korea ... there’s a blurring between professionalism, and interactions, and the friend. It’s really difficult, I think, for a Western person to look at the account team and not see them actually as friends of the customer as much as they are [company name] employees. So that blurring happens at least from my perspective when I see it. They can call up the customer anytime because they are friends. It does wander into business and back to friends. And really, really, tight, tight relationships...”

This quote highlights two critical issues, albeit one directly and one indirectly. Regarding the former, this quote clearly highlights the blurring of lines between formal and informal relationships in interactions between the buying and selling teams. Indirectly, this quote underscores an important issue in the workforce in the Asia-Pacific Rim, namely the patriarchal nature of business relationships in this region and the dearth of females in management positions in Asian firms (Cho, Park and Park 2018; Kajimoto 2018). We discuss this issue more fully in our implications section.

Effective Cross-Cultural Communication

Respondents outlined the importance of effective communication, both between sales manager and sales representative, as well as with customers. One challenge that arose frequently for managers was developing an environment of open communication over long distances, as noted by this Japanese manager working with employees in the Asia-Pacific region:

“That is, they need to communicate well enough so that the employee can understand—he or she needs to be convinced that what she or he does is good for the company, which means that again that employee needs to believe that their manager’s direction is in line with the company’s direction.”

This sales manager referenced communicating well enough to develop the relationship needed to align the employee with the manager and company. Comments on this topic highlight two main subthemes of frequency and type. A number of respondents cited clear, consistent and frequent communication as key, and inferred this was useful to ensure potential misunderstandings were ironed out quickly, should base expectations and initial briefings prove insufficient on a
particular project. Informal means of communication were seen as more important, as some respondents cited a preference for “face time.” Several respondents mentioned the inability to read body language as a challenge when face-to-face communication was not an option. One sales manager talked about attempting to motivate and problem solve with a sales representative in Asia, noting, “I don’t know if that made them feel any better because I never saw the person, I didn’t get the body language, right?”

Another sales manager, a U.S.-born female managing in Asia, noted that other cultural issues can affect cross-cultural communication effectiveness. She often held tele-conferences with her team, and found that team members from some cultures were less likely to communicate.

“But when I first would get on phone calls with all of my team around the globe, the only people who would ever speak were the Australians and the Indians. And a lot of that is cultural and it’s a lot about making the rest of the team feel comfortable and heard.”

This statement suggests other cultural elements are affecting communication and perhaps impeding effective communication. Without the advantage of seeing body language, it would be more difficult for the manager to determine why team members are not communicating. This comment may reflect differences in Meyer’s (2014a, b) dimensions of disagreeing, leading, and evaluating. Although more data would be required to fully explore this observation and the different constructs involved, respondents seem to indicate that in the early stages of sales relationships, nuances and specific meaning can be lost via e-mail, whereas face-to-face meetings were seen as being a much more effective and surprisingly efficient way of communicating. It was also seen as an effective way to enhance relationship quality through interpersonal connections leading to trust building and a sense of mutual understanding.
Finally, the concept of guarded communication arose frequently in our interviews. This concept reflects Meyer’s (2014a, b) dimension of high context versus low context communication. In this case, the communication was high context, i.e., nuanced and open to interpretation. When discussing his Japanese direct reports, a technical sales director noted what happens when communication is guarded:

“...it feels like a lot of the communication I’m getting is somewhat carefully constructed in that if there’s a problem, you’re not going to hear there’s a problem, per se. What you’re going to hear is they might need help or there’s some expertise they might be looking for, but you won’t hear admissions of shortcomings or things like that. If you ask them to do something, rather than saying, ‘no,’ you hear back usually, ‘this is very difficult,’ as opposed to a straightforward no.”

One can see how this guarding of communication could result in miscommunication, or even slow down sales processes by affecting internal procedures. As noted by a Taiwanese sales manager, “…you just don’t know if they agree or if they don’t agree. They’re going to say, ‘Let me think about that.’ I think in some way, it would take longer time.” An Australian male manager working in Singapore used the word “secretive,” stating “…there’s definitely a reluctance to reveal anything more than you absolutely need to reveal in a business situation.”

This subtheme of guarding communication can cause real consternation for sales managers trying to understand what is really happening. One manager asked simply, “How do you draw out what they are actually thinking?”

Acquisition and Maintenance of Trust

Trust was an important thread through many of the interviews, and often informed discussions of other key themes and sub-themes. A sales leader working in Singapore and Asia-Pacific cited the critical nature of trust, simply stating “…if you don’t have trust, the other side will not open to you. And we will not open to them.” Managers referenced the need to develop trust with
members of the sales team as well as customers, such as this Japanese sales manager working with representatives in the Asia-Pacific Rim region:

“…and that’s the most difficult part, I think, because your employees are remotely located... and so I have a lot of trust in you.”

Our respondents clearly identified a link between trust and sales outcomes. One sales manager noted, “And only after you earn the trust, then you can really move things and the project forward.” Another mentioned that trust between team members leads to the sharing of information and opportunities. Moreover, the length of the sales cycle can be decreased in the presence of trust, as noted by a general sales manager responsible for a worldwide sales team: “But inevitably, the decision-making speed and ease is higher with those you have higher trust...”

We identified two main sub-themes of trust in our data: long-term view and local presence and knowledge. While the importance of trust in sales relationships is an unsurprising finding, respondents all cited the additional importance of this construct in cross-cultural sales settings.

With respect to long-term view, trust was seen as something that was acquired over longer periods than would be expected normally, but something that once earned was of a much deeper meaning. This finding is less reflective of Meyer’s (2014a, b) dimension of cognitive vs. affective trust. Respondents outlined situations where trust took many months of very hard work to acquire; however, once established allowed long-term partnership-type arrangements to exist that, in effect, reduced and mitigated competitive pressures and associated risk. A sales manager based in Northern Europe and responsible for Tokyo, among other areas, noted how long and difficult this process was with a particular customer:

“It didn’t start that way. It took a long while to build trust and credibility with the engineering teams and with our capability to deliver. We couldn’t just show that over one
project generation. It took years and years of our proving performance, and delivery of solutions, and capability to solve customer problems."

Obviously this example shows the long-term dedication needed to build the trust needed.

Another sales manager working in Tokyo echoed these sentiments, stating:

“So there’s a little bit of proving and getting over hurdles and having to satisfy ‘tick the box’ moments, both locally and with the overseas counterparts before you’re really accepted as someone who can add value.”

Respondents also discussed possible causes when trust was not established. In some cases, it was a reluctance to discuss and establish clear outcomes. In other cases, suspicions of foreigners was cited.

“I think for a lot of the countries, suspicion of foreigners or not necessarily trusting foreigners as much as you would do local people is really integral to the sales process as well.”

Locally presence and knowledge reflects being able to demonstrate knowledge and understanding of local norms, behaviors and processes. This knowledge can be developed via cross-cultural training conducted by the sales organization. Sales managers demonstrated a willingness and professionalism that was very much appreciated by local culture sales teams and also local culture buyers. This idea can be seen in the following quote by a sales manager working in Japan.

“But a lot of the local stuff is done by locals. Again, local to local. The direction, the strategy, the final sales, the senior management stuff is done by me. But the local account team who have the local language, culture, and understanding does the relationship building on a daily basis...”

Associated with this notion of relying on local connections was the need for sales managers to filter processes and directions from a U.S./Western central office and adapt these to a local “way of doing things.” In this way, sales managers interpret signals and requests or demands from main office (the de facto dominant structural culture), and ensure that implementation is appropriate and useful in a local culture setting. The act of doing this, and the
communication of such to sales teams, is seen as demonstrating professionalism, empathy and sensitivity to a particular setting that is very much appreciated and important in building trust.

Further to the earlier discussion on relationship quality, face-time, or more specifically the importance of being visible to sales team members, was mentioned by a number of respondents. In this way, trust is built through an assurance that decisions and answers are available in a timely fashion, and also that the sales team members are important.

**Language**

Although language was not specifically addressed by Meyer (2014a, b), it certainly contributes to communication and feedback and was identified as important by the respondents in our study. The establishment and consistent application of a lingua franca was particularly important, i.e., a common and agreed-upon language “platform.” More specifically, it emerged that variance exists regarding the use of English as the normal currency in communications, and the appropriateness and usefulness of this choice. Some respondents saw the use of English as completely normal in a cross-cultural context and not something for consideration or discussion. Others suggested that while English was indeed the norm, use of the non-English local culture language in certain contexts was more appropriate and demonstrated empathy, caring and a willingness to adapt style to a local context; which led to increased levels of trust.

A sales group leader based in India, where English is spoken widely, noted some of the problems that arise with finding a shared language. Even when people speak the same language, differences in accents and local jargon can cause confusion.

“One of the big issues which really comes up in our discussions or in our team meeting is I would say the uses of English. And this one I will say is maybe more applicable to people from Far East because they don’t use English that frequently. But even otherwise I would say even if people are coming from English speaking areas they have different
This group leader noted that many of his managers come from different regions, with each region possessing a different regional accent. He equated the problem to one found in the U.K., with people from southern England finding difficulty communicating with someone from Scotland due to differences in regional accents. Unfortunately, these seemingly simple communication difficulties, i.e., those due to differences in accents, can lead to larger problems.

Competency in the local culture language, regardless of agreed common language, was seen as important by respondents. It was relatively clear from the comments made that a working knowledge, and ideally competency, in the non-English local culture language was a significant positive in sales settings. A female manager from the U.S. responsible for sales teams across Asia identified the local language barrier as the most important issue in managing across cultures, stating that “…having a decision maker from a U.S. company or an influential person from a U.S. company being able to truly build a good relationship – language is a barrier.” In other words, if the decision maker/influential person cannot speak the local language, he or she cannot engage in deep relationship development. When they possess the ability to speak the local language, sales managers can quickly resolve any misunderstandings around certain phrases or contractual/technical nuances; thereby increasing status as a trusted partner and advisor.

One female general sales manager with worldwide responsibilities noted that having a team member fluent in the local language pays off in additional ways. That is, an understanding of the local language can provide additional insights into the culture.

“…it's always helpful to have somebody who can speak a language and travels there extensively but is not from that culture because they can give observations. It’s very similar to the question when you ask a fish, “How’s the water?” and they ask, “What water?” Unless you have a more outside view, you don’t have somebody that can tell you, “Here’s what this means and here's why and how to navigate it.”
This sales manager sees a real benefit in gaining additional insights through knowledge of the local culture language; moreover, this benefit likely ties back to the importance of a local presence in the trust development process. Paying attention to these insights facilitates an in-depth conversation that can lead to successful performance outcomes.

Decision-making

No clear subthemes were identified with decision-making, but the ways in which decisions are made and the overall approach taken were discussed. In some cases, these discussions clearly reflected Meyer’s (2014a, b) dimensions of deciding, i.e., democratic (consensus) versus unilateral decision-making. Further, we identified references to the previously discussed hierarchy, such as this female sales manager working in Hong Kong, Asia, and Southeast Asia:

“...the guy at the top is the decision maker,” which is often true and he is the leader and he’s the one that’s going to say yes or no. But the decision-making underneath; that is very important not to ignore, right?”

In this case, the sales manager is discussing the need to talk to the “guy at the top” who has been identified as the decision maker. This same decision maker, however, may have less knowledge than his direct reports; she indicated that is where the real decision-making takes place.

Stoicism was referred to in conversations about decision-making a number of times, and was connected with a sense of a general lack of emotion in certain settings. This feeling was discussed in relation to a cultural norm that considers it unprofessional to show emotion or to solicit emotion in others, i.e., “the reluctance to be seen … or to create disappointment or anger in somebody else.” As mentioned by a Director of Sales, “…they don’t show their expression. They might be very excited but you wouldn’t even see a glimmer of a smile,” thereby adding ambiguity to the decision process.
The pace of decisions also solicited comment, in that the pace of decisions and decision-making seemed very slow in relation to a sales manager culture context. This excerpt from our interview with one sales manager exemplifies this concept:

“...working not in a very fast pace. For example, I think that for somebody in Thailand, [company name], has been engaging the business for more than two years, performing [company process] every day in the customer site. But when it goes to, really the business engagement their customer are just taking months and months, still not making a decision.”

We received many similar responses, which have a foundation in Meyer’s (2014a, b) scheduling dimension, in which the approach to time ranges from linear to flexible. Another respondent viewed this extended decision process as inefficient and extremely frustrating; however, the majority of our respondents accepted this reality. To build trust and facilitate productive long-term relationships, delays (in relation to decision speed in a U.S./Western context) were anticipated and included in planning processes. A sales manager commented that the embedded relationships that resulted from an extremely lengthy decision-making process were well worth the wait.

One respondent connected the relatively slow pace of decision-making with the notion of “face” or “saving face.” “Face” is a complex concept in Eastern culture that has been well-studied. In his seminal article on the topic, Ho (1976) defines face as “…the respectability and/or deference which a person can claim for himself from others, by virtue of the relative position he occupies in his social network and the degree to which he is judged to have functioned adequately in that position as well as acceptably in his general conduct…” (p. 883). Individuals’ perceived, or real, levels of respect in various spheres of life are critically important. In a sales setting, people take great pains not to say the wrong thing or to speak “out of turn” (again
connecting with hierarchy). This can lead to relatively simply decisions being drawn out through consultation and cross-checking with colleagues prior to a comment or decision being made.

Table 4 highlights the key themes identified in our grounded-theory analysis, along with sub-themes, issues and challenges, and characteristic comments from our respondents. As shown, our data revealed five main themes: Building and sustaining cross-cultural relationships, cross-cultural communication effectiveness, acquisition and maintenance of trust across cultures, language, and decision-making. From these data-driven themes and corresponding sub-themes, research propositions emerge which we present in the next section.

**Developing Research Propositions**

Our analysis of key themes and sub-themes led to the development of research propositions. Specifically, we identify three main constructs—cross-cultural communication effectiveness, cross-cultural sales manager-salesperson trust, and cross-cultural sales manager-salesperson relationship quality—as well as potential antecedents and moderators. Antecedents include communication elements (frequency, mode, style, and language), while moderators include local culture issues (decision-making style, degree of hierarchy, degree of formality, and time) and salesperson adaptability.

**Proposed Direct Effects**

**Cross-Cultural Communication Effectiveness.** Effective communication has been identified as a key driver of successful navigation across cultural differences (Meyer 2014a, b). Further, research has noted the critical role effective communication plays in sales manager effectiveness (Deeter-Schmelz, Kennedy and Goebel 2002). We define cross-cultural communication effectiveness as the ability of the sales manager to successfully communicate
messages across cultural boundaries to local sales representatives, such that meaning is shared by both parties.

Our analysis suggests that cross-cultural communication effectiveness will be affected directly by four key communication elements: frequency, mode, style, and language. Our respondents noted the need to intensify the frequency of communication, with more personal modes of communication (e.g., face-to-face) seen as superior. Communication style was repeatedly mentioned as an important consideration; as noted by one of the female managers in our study who worked in Japan, “Japan is much more formal and we communicate with them in a much more formal manner.” Finally, depending on the country/culture and the degree of comfort with English, language was identified by several respondents as a potential constraint to effective communication. Thus, we offer the following research proposition.

**RP1:** The more (a) frequent the communication; (b) personal the mode of communication; (c) communication styles are matched; and (d) language meaning is shared between the sales manager and the local sales representative, the more cross-cultural communication effectiveness will be influenced positively.

**Cross-Cultural Sales Manager-Salesperson Trust.** The word “trust” was mentioned 137 times by our 21 respondents, highlighting the importance of this variable. We adopt Anderson and Weitz’s (1989) definition of trust, i.e., trust is “…one party’s belief that its needs will be fulfilled in the future by actions taken by the other party” (p. 312). In the case of our study, the local culture salesperson believes the sales manager will act accordingly to fulfill his or her needs going forward, and the sales manager believes the same of the local culture salesperson. This definition is illustrated in a quote from a western sales manager working in Singapore, who stated:

“Once you’ve established yourself as a trusted adviser, they’ll give you a lot of time, they’ll come to you with their problems.”
We posit that cross-cultural communication effectiveness will lead to cross-cultural sales manager-salesperson trust. This relationship has received support in domains outside of sales, such as IT services and new product development (e.g., Kyriazis, Couchman and Johnson 2012; Park et al. 2012), as well as in theories of relational exchange (e.g., Morgan and Hunt 1994) and was mentioned by several of the respondents in our study. Communication effectiveness strengthens the belief that the sales manager will continue to effectively fulfill the needs of the local sales representative, thereby enhancing the trust between the two parties (cf. Park et al. 2012). Accordingly, we offer the following research proposition:

*RP2: The more effective the cross-cultural communication between sales manager and local salesperson, the more trust between the two parties will be enhanced.*

**Cross-Cultural Sales Manager-Salesperson Relationship Quality.** Drawing from work on buyer-seller relationship quality, we define cross-cultural sales manager-salesperson relationship quality as the extent to which the salesperson finds the sales manager reliable and has confidence in the sales manager’s future performance based on past interactions (cf. Crosby, Evans and Cowles 1990). The importance of this variable was mentioned several times by our respondents, such as the male director of sales who noted the relationship between a headquarters team and the sales team is critical to success in the region. When the sales manager and salesperson reside in different countries and represent different cultures, e.g., U.S. and Asia, the development of a quality relationship becomes even more critical as the sales manager and local sales representative work to cross both physical and cultural separation.

We propose that the quality of the cross-cultural relationship between the sales manager and the local sales representative will be affected directly by two variables: communication effectiveness and trust. Researchers have linked communication effectiveness and trust to
relationship quality, albeit in a buyer-supplier setting (e.g., Morgan and Hunt 1994; Swan, Trawick and Silva 1985) and in the delivery of IT services (e.g., Park et al. 2012). Our respondents referred to relationships 249 times, and included descriptions of how trust and communication effectiveness might affect those relationships. One sales manager, for example, noted that if one is to have improved relationships, an ongoing dialogue (i.e., effective communication) is required. Others acknowledged the clear link between trust and relationships, noting that the relationship becomes stronger as the trust develops. Hence, we offer the following research propositions:

**RP3: The greater the (a) communication effectiveness; and (b) trust between the salesperson and sales manager, the greater the relationship quality between the two parties.**

**Proposed Moderating Effects**

**Local Culture Issues.** Our data revealed several critical issues related to local culture, including differences in decision-making styles, approaches to hierarchy and formality, and a longer-term orientation with respect to time. A number of these issues are raised by Meyer (2014a, b; see Table 2), and she notes the complexity surrounding these issues. Decision making, for example, includes a democratic or consensus style versus a more unilateral style; additionally, the “leading” continuum of egalitarian versus hierarchical treatment of employees and the “scheduling” continuum of a linear to flexible approach to time can work together to influence other relationships.

Our findings suggest the local culture issues will moderate the relationships between communication effectiveness and (1) cross-cultural sales manager-salesperson trust, and (2) cross-cultural sales manager-salesperson relationship quality. Consider, for example, decision-making style. In addition to Meyer’s (2014a, b) consensus versus unilateral styles, our
respondents indicate the concept of “saving face” plays a role here, in that local culture
salespeople in the Asia-Pacific Rim do not want to “lose face” in front of important colleagues
and customers; if “face” were to be lost, that would affect both the trust and the relationship with
the sales manager.

Hierarchy, formality, and time can also affect the relationships between communication
effectiveness, trust, and relationship quality. A sales manager unaccustomed to working within a
more bureaucratic, hierarchical environment might struggle in developing trust with a local
culture representative. Low degrees of formality, as reflected by wearing business casual to an
important meeting, could send signals to the more formal colleagues that impede trust and
relationship quality. With respect to time, a global director raised in the U.S. noted that it
sometimes requires years to build a trusted relationship; similarly, a technical sales manager
based in Taiwan pointed out that sometimes elements of the sales process, including trust and
relationship quality, are affected because one is waiting on local colleagues to move forward.

Based on our analysis of the data, we expect that large differences between the sales
manager and the salesperson with respect to local culture issues will result in a more negative
outcome, and small differences will have much less of an effect. As such, we offer the following
research proposition:

RP5: The relationship between communication effectiveness and sales manager-sales
person trust will be affected by the differences in (a) decision making styles; (b)
degree of hierarchy; (c) degree of formality; and (d) time. To the extent that these
differences are minimized, the relationship between communication effectiveness
and trust will be enhanced.

RP6: The relationship between communication effectiveness and cross-cultural sales
manager-sales person relationship quality will be affected by the differences in (a)
decision making styles; (b) degree of hierarchy; (c) degree of formality; and (d)
time. To the extent that these differences are minimized, the relationship between
communication effectiveness and relationship quality will be enhanced.
**Sales Manager Adaptability.** Identified as a contributor to sales manager effectiveness (Deeter-Schmelz, Goebel and Kennedy 2008), sales manager adaptability came up frequently in the conversations with our respondents. In fact, 18 out of 21 of our respondents mentioned the need to adapt in response to cultural differences at least once.

We define sales manager adaptability as the degree to which the sales manager adjusts his or her behavior in response to local culture differences. Discussions by the respondents in our study revealed that the sales manager’s ability to adapt to cultural differences affects other important variables. A female sales manager from the U.S. with responsibilities for a multinational team in the Asia-Pacific Rim region chatted about differences in reward preferences. She indicated that while some members of her sales team preferred quiet praise (e.g., Korean and Japanese), others (Australian and Indian) preferred more obvious recognition. Although in the past she had been what she described as a “call people out publicly” type of manager, she had to adapt her style to meet the needs of her team. Similarly, she noted the need to adapt her communication styles with the members of her team, depending on their culture of origin.

We propose that the sales manager’s ability to adapt to issues relating to local culture and communication will affect communication effectiveness. As such, we propose the following research proposition:

*RP7: Sales manager adaptability will affect the relationship between the different elements of communication (frequency, mode, style, and language) and communication effectiveness. The more adaptable the sales manager, the more communication effectiveness will be enhanced.*

**Discussion**

Responding to researchers’ calls and practitioners’ needs for strategic solutions in developing and maintaining business relationships across national and cultural boundaries (e.g., Baldauf and
Lee 2011; Panagopoulos et al. 2011; Schrock et al. 2018), we have conducted a grounded-theory study identifying key issues affecting cross-cultural sales manager-salesperson relationships in the Asia-Pacific Rim region. Our findings highlight five key themes: building and sustaining cross-cultural relationships, cross-cultural communication effectiveness, acquisition and maintenance of trust across cultures, language, and decision-making. Subsequently, we have developed research propositions regarding sales manager-salesperson relationship quality in this region. These findings are distinct from previous research conducted in Asia as they include a richness of understanding not found in prior work.

This study offers several contributions to the sales literature. First, by identifying the central role of trust in the cross-cultural sales manager-salesperson relationship, we have extended our understanding of how trust is formed in an Asian context. We identified only two studies, namely Atuahene-Gima and Li (2002) and Mallin et al. (2010) that studied supervisee trust in the sales manager in the context of Asia. Our study not only identifies the importance of trust, but also identifies potential moderators affecting trust development: local cultural issues (decision making style, degree of hierarchy, degree of formality, and time) and sales manager adaptability. As such, our study adds to prior work, providing a strong foundation to drive future research in this area.

Our research also reinforces and broadens seminal work on relational theory and sales manager-salesperson relationships. Our findings, for example, reinforce key linkages identified by Morgan and Hunt (1994) such as communication \(\rightarrow\) trust \(\rightarrow\) relationship commitment, and adds theoretical insight by including the complexity associated with crossing cultural boundaries. Brashear et al. (2003) specifically explored the sales manager-salesperson relationship; their results confirmed managerial respect, and shared values as antecedents to salesperson trust,
which in turn influenced important outcomes like job satisfaction, relationalism, organizational commitment, and turnover intentions, as well as benevolence and honesty. Although this work made a tremendous contribution to our knowledge-base, we build on their work through our incorporation of communication elements and local culture variables.

Of the research conducted on sales management issues in an Asia-Pacific Rim context, ours is the first to consider decision-making style, hierarchy, formality, and time. The cross-cultural work of Meyer (2014a, b) lends support to our inclusion of these variables and adds depth to our understanding of the factors affecting cross-cultural relationships. Similarly, our application of communication elements, i.e., frequency, mode, and style, broadens what has been studied to date with respect to sales managers working in Asia. Although “saving face” represents a prominent and much-studied aspect of Asian culture (e.g., Ho 1976), we are the first to introduce the topic to the sales management-salesperson relationship literature. Interestingly, the most-frequently studied topic among those listed in Table 1, salesforce control systems, was not raised by our respondents.

Our results also highlight the importance of attaining shared meaning via the use of language. Although issues surrounding language when crossing cultural boundaries seems obvious, it was not addressed in the studies we reviewed. Language may become even more important in more technical industries; one respondent noted that sometimes a certain language may lack the words to needed describe what can be precisely identified in English. Clearly language represents an important component of communication effectiveness worthy of research consideration.

Finally, the respondents in our study indicate sales manager adaptability plays a key role in developing a quality relationship with the local culture sales rep; this finding identified a
construct not previously studied in an Asian cross-cultural context. The introduction of this variable represents a contribution to our understanding of cross-cultural sales relationships and offers cross-cultural researchers a viable route for investigations. If the sales manager cannot adapt to the elements of communication and the local culture variables of decision-making style, hierarchy, formality, and time, then that sales manager will face greater difficulty in developing effective communication, trust with the local culture sales representative, and a quality relationship with that rep.

**Implications for Researchers**

Future research should undertake an empirical, quantitative investigation of our proposed research propositions within the context of the Asia-Pacific Rim region. Once the propositions have been sufficiently evaluated, researchers could explore the same questions in a wider variety of settings, across countries and locations, to see what changes occur. How do our findings change for companies doing business in Africa or the Middle East? What are the similarities and differences? Do industry differences exist? Investigations of our findings across countries, continents, and industries would do much to build our understanding of cross-cultural sales manager-salesperson relationship in different local culture countries.

Interestingly, the main themes revealed by our data do not necessarily reflect core cultural differences associated with Asia, for example, *Guanxi*, i.e., relationship-based networks in China, or *Yongo*, i.e., informal social networks in Korea (cf. Horak and Nihali 2016). Our five themes of building and sustaining cross-cultural relationships, effective cross-cultural communication, acquisition and maintenance of trust, language, and decision-making, could be applied to a wide variety of cultures. Yet it has long been recognized that the traditions, values, and customs of Asian countries must be recognized and respected if one is to develop business
relationships successfully in this region (Ellis and Iwasaki 2018; Reeder 1987). Drawing from the context of our five main themes, future research should dive more deeply into core cultural differences existing between Western and Eastern cultures as a means to build our understanding and help Western sales practitioners develop appropriate strategies when doing business in Asia. Qualitative methodologies would be well-suited for this research, given its complexities.

Our quote on informal relationships between buyers and sellers and, in particular, the consumption of large quantities alcohol, alluded to the male-dominated culture in Asia. In fact, recent research has shown that 75% of Japanese companies have no female senior executives, with most saying that women account for less than 10% of management (Kajimoto 2018). Similarly, in South Korea, women leaders are viewed as “tokens,” with low representation in executive roles and on corporate boards (Cho, Park, and Park 2018). Research conducted in China has demonstrated that male salespeople are resistant to female sales managers (Liu, Comer, and Dubinsky 2001). If we truly want to improve sales manager-salesperson relationships in Asia this issue must be addressed. Research on this topic will be an important first step. How should Western sales organizations adapt when interacting with local salespeople and customers in Asia? Should discrimination against women be accepted as a local practice, with male sales managers assigned to these roles to avoid local discriminatory practices, or should the anti-discriminatory policies at the Western sales organization prevail? If the latter path is chosen, how can the Western firm best support their female sales managers when they are placed in a region identified as male-dominated? Once again, qualitative research will be important in parsing out these rather complex issues.

Our study has several limitations, including data collected from a single, albeit large multinational corporation. This within-firm approach, combined with our exploratory use of
qualitative data, makes it difficult to generalize our findings. Further, we approached our study from the perspective of the sales manager, using a U.S./Western lens and data. Future research should investigate these issues from a local culture sales representative perspective. Research covering both perspectives of the sales manager-salesperson relationship is needed if we are to truly understand the effects of cultural differences on trust and relationship quality. We hope our research will encourage other researchers to undertake both exploratory and confirmatory studies to investigate our themes and research propositions.

**Implications for Practitioners**

Our results show that it is important for sales managers leading local culture salesforces to learn about and recognize differences in cultures across Asia and the Pacific Rim as they look to develop deep and lasting business relationships. Trust came up frequently as an essential measurement of the strength of relationships. Although trust is important in any relationship, the process and the amount of time to develop trust is different across the Asia-Pacific Rim due to the unique and vibrant cultures (Schweitzer and Alexander 2015). For example, in Japan and Korea a “bottom-up approach” requiring a lengthy process is needed to demonstrate the ability to make and meet commitments and allow trust to develop. Managers should be made aware of this difference and provided the skills needed to develop a trusting relationship more slowly.

Respondents in our study indicated that although winning over the customer’s trust and developing a long-term and profitable business relationship is the ultimate goal, it is essential that the sales manager build a similar trust-based quality relationship with the sales representatives on his or her team. A common theme on this topic is the need for face-to-face interaction between the sales manager and local culture sales representatives. Traveling to see sales representatives in action with customers is a desirable practice and increases the
opportunities for communication. Organizing an offsite face-to-face meeting with the entire sales team as the audience provides another opportunity for the sales manager to enhance cross-cultural communication effectiveness by conducting a strategy discussion and facilitating interaction on common internal and customer challenges, i.e., sales targets, pricing, competition, product features, etc.

Our results suggest that communication frequency and type play key roles in effective communication. To increase the frequency and consistency of communication, several respondents suggested that weekly or bi-weekly team meetings set for the same time and day is important. Because some cultures in Asia will not proactively speak out on customer issues, but are more likely to provide input by agreeing with a colleague from more vocal cultures (e.g., U.S. or Australia), this type of meeting, along with follow up individual meetings, can be used to get a pulse of the market from less vocal countries.

Given the importance of sales manager adaptability in driving communication effectiveness and the development of trust and relationship quality, international sales organizations should consider sales manager training to develop cultural awareness and prepare the manager for adapting to the local situation. Consider, for example, forecasting decisions for existing deals. We heard from respondents that in India, China and Southeast Asia, customers often provide the most optimistic forecasts to encourage the seller to offer better terms and pricing. In Japan, alternatively, the customer or sales team may provide a more conservative forecast due to concerns about being wrong and losing face. Training could help sales managers interpret language used in high context cultures, as well as understand the importance of saving face in Asian culture. Finally, training is needed to prepare and socialize both male and female managers so they can be successful in the patriarchal environment of Asian business. Ultimately,
sales managers working across cultural boundaries in Asia-Pacific Rim need to recognize and plan for these differences if successful relationships are to be developed with local sales representatives.

**Concluding Remarks**

In-depth interviews with 21 sales managers working for a multi-national firm and doing business in the Asia-Pacific Rim revealed novel constructs and led to research propositions drawn from five key themes, namely building and sustaining cross-cultural relationships, cross-cultural communication effectiveness, acquisition and maintenance of trust across cultures, language, and decision-making. By identifying the key issues facing sales managers as they develop relationships with their sales representatives from other cultures, we have broadened our understanding of these cross-cultural relationships and created a foundation for future research.
Table 1. Studies Investigating Sales Management Topics within the Context of the Asia-Pacific Rim Region

<table>
<thead>
<tr>
<th>Core Study Topic</th>
<th>Authors</th>
<th>Asia-Pacific Rim Countries Studied</th>
<th>Other Countries Studied</th>
<th>Study Type</th>
<th>Sample</th>
<th>Key Findings/propositions</th>
<th>Country/Cultural Issues Explored?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural Differences</td>
<td>Sharma (2016)</td>
<td>China, India, Japan</td>
<td>Brazil, Germany, U.K., U.S.</td>
<td>Theoretical</td>
<td>n/a</td>
<td>Article presents relevant theories and cultural variables; a classification framework; and propositions derived from the framework.</td>
<td>Yes</td>
</tr>
<tr>
<td>Gender Differences</td>
<td>Liu, Comer and Dubinsky (2001)</td>
<td>China</td>
<td></td>
<td>Empirical; Quantitative</td>
<td>Salespeople</td>
<td>Results suggest male salespeople are resistant to female sales managers.</td>
<td>Yes</td>
</tr>
<tr>
<td>Global Account</td>
<td>Ellis and Iwasaki (2018)</td>
<td>Japan</td>
<td></td>
<td>Empirical; Qualitative</td>
<td>Key Account Managers</td>
<td>Exploratory results suggest U.S./European models of GAM/KAM are not necessarily applicable to Japanese firms. Note: Study focused more on strategy rather than individual sales managers.</td>
<td>Yes</td>
</tr>
<tr>
<td>Leadership</td>
<td>DeCarlo, Rody and DeCarlo (1999)</td>
<td>Australia</td>
<td>U.S.</td>
<td>Empirical; Quantitative</td>
<td>Sales Managers and Salespeople</td>
<td>Salesperson leadership perpetual congruence influences job satisfaction and effort significantly. Meaningful differences were found between Australian and U.S. salespeople.</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>Dey and Carvalho (2014)</td>
<td>India</td>
<td></td>
<td>Empirical; Quantitative</td>
<td>Front-line Sales Executives</td>
<td>Transactional leadership is positively related to emotional intelligence.</td>
<td>No</td>
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<tr>
<td></td>
<td>Mulki, Caemmerer and Heggde (2015)</td>
<td>India</td>
<td></td>
<td>Empirical; Quantitative</td>
<td>Salespeople</td>
<td>Instrumental leadership leads to employee effort and job performance. Under conditions of high power distance, the association between satisfaction with supervisor and employee effort is weaker, and the association between satisfaction with supervisor and employee effort is stronger.</td>
<td>Yes</td>
</tr>
<tr>
<td>Interface</td>
<td>Hanna and Srivistava (1998)</td>
<td>Japan</td>
<td></td>
<td>Empirical; Quantitative</td>
<td>Sales Managers and Salespeople</td>
<td>A high-level of value congruence was found between sales managers and salespeople. Younger salespeople indicated a preference for extrinsic rewards similar to what might be expected in a U.S. culture.</td>
<td>Yes</td>
</tr>
<tr>
<td>Relationships</td>
<td>Fock, Yin and Rodriguez (2010)</td>
<td>China</td>
<td>Canada</td>
<td>Empirical; Quantitative</td>
<td>Salespeople</td>
<td>Perceptions of customer orientation and self-determination influence the development of work meaning in Canadian salespeople; the quality of the supervisor relationship did not affect these factors. Alternatively, quality of the supervisor relationship directly influenced the development of work meaning.</td>
<td>Yes</td>
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<tr>
<td>Reference</td>
<td>Location</td>
<td>Methodology</td>
<td>Unit</td>
<td>Summary</td>
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<tr>
<td>Horak and Nihalani (2016)</td>
<td>Korea</td>
<td>Empirical; Qualitative</td>
<td>Sales Managers</td>
<td>Results of in-depth interviews identify <em>Yongo</em>, i.e., informal relationship-based networks, as a critical component of relationship management in Korea. The authors propose 10 vertical core competencies required of sales managers in Korea.</td>
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<tr>
<td>Pecotich and Crockett (1988)</td>
<td>Australia</td>
<td>Empirical; Quantitative</td>
<td>Senior Managers</td>
<td>A model of sales management succession is developed and tested. Empirical results provide preliminary support for model.</td>
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<tr>
<td>Grant and Cravens (1999)</td>
<td>Australia</td>
<td>Empirical; Quantitative</td>
<td>Sales Managers</td>
<td>Results outline the effects of sales manager (sales management control, territory design) and salesperson (customer relationship strategy, organizational commitment, and performance) variables on sales organization effectiveness. Note: Study focused more on overall strategy rather than individual sales managers.</td>
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<tr>
<td>Baldauf, Cravens and Grant (2002b)</td>
<td>Australia, Austria</td>
<td>Empirical; Quantitative</td>
<td>Field Sales Managers</td>
<td>Behavior-based sales management control is related positively to salesperson characteristics, sales outcome performance, and sales organization effectiveness. Note: Samples combined for analysis.</td>
<td></td>
<td></td>
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<tr>
<td>Fang, Evans, and Landry (2005)</td>
<td>China, U.S.</td>
<td>Empirical; Quantitative</td>
<td>Salespeople</td>
<td>Results demonstrate that the effect of sales control systems on salesperson attributions is flexible, and the effect is different across Chinese and U.S. samples.</td>
<td></td>
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<tr>
<td>Fatima (2016)</td>
<td>Asia, U.S., Europe, Africa</td>
<td>Theoretical</td>
<td>n/a</td>
<td>Most research examining the consequences of salesforce control systems have been conducted in Europe, followed by Asia and the U.S. Regardless of study location, behavioral-based control systems appear to result in more positive consequences than outcome-based control systems.</td>
<td></td>
<td></td>
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<tr>
<td>Grant and Cravens (1996)</td>
<td>Australia</td>
<td>Empirical; Quantitative</td>
<td>Sales Managers</td>
<td>Sales managers engage in more managerial activities (e.g., evaluation, monitoring, and rewards) with reps who exhibit high performance on behavioral and outcome measures. High-performing sales forces are more committed to their companies, and sales managers are more satisfied with territory design.</td>
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<tr>
<td>Author(s)</td>
<td>Country</td>
<td>Data Type</td>
<td>Research Design</td>
<td>Sample</td>
<td>Findings</td>
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<tr>
<td>Matsuo (2009)</td>
<td>Japan</td>
<td>Empirical; Quantitative</td>
<td>Sales Managers</td>
<td>Behavioral-based and knowledge-based control systems are related to sales department innovativeness.</td>
<td>No</td>
<td></td>
<td></td>
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<tr>
<td>Matsuo, Hayakawa and Takashima (2013)</td>
<td>Japan</td>
<td>Empirical; Qualitative</td>
<td>Sales Managers and Salespeople</td>
<td>Behavioral control systems facilitate salesperson learning under certain conditions, including a focus on skill development and supportive supervision.</td>
<td>No</td>
<td></td>
<td></td>
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<tr>
<td>Miao, Evans and Li (2017)</td>
<td>Taiwan</td>
<td>Empirical; Quantitative</td>
<td>Sales Manager - Sales Representative Dyads</td>
<td>Results suggest top-performer rewards result in both positive and negative outcomes, depending on the application of behavioral control systems and the level of organizational justice.</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Piercy, Low and Cravens (2004a)</td>
<td>India, Malaysia, Greece</td>
<td>Empirical; Quantitative</td>
<td>Sales Managers</td>
<td>Results fail to support the conceptual model hypothesizing negative relationships between behavioral- and compensation-based control systems and salesperson/organizational consequences.</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Piercy, Low and Cravens (2004b)</td>
<td>India, Malaysia, Greece</td>
<td>Empirical; Quantitative</td>
<td>Sales Managers</td>
<td>Territory design is a strong predictor of performance and effectiveness. Incentive pay does not affect salesperson performance, but does affect sales unit effectiveness positively (Greece and India only).</td>
<td>Yes</td>
<td></td>
<td></td>
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<tr>
<td>Rajagopal (2007)</td>
<td>India, Mexico</td>
<td>Empirical; Quantitative</td>
<td>Sales Managers</td>
<td>Study investigates salesforce control, incentive pay, and territory design as antecedents to salesperson performance and sales unit effectiveness.</td>
<td>Yes</td>
<td></td>
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<tr>
<td>Wang, Dou and Zhou (2012)</td>
<td>China</td>
<td>Empirical; Quantitative</td>
<td>Buyer - Sales Representative Dyads</td>
<td>Output and capability controls work together to enhance salesperson problem solving and reduce salesperson opportunistic behavior. An interaction effect between activity and capability controls leads to the opposite outcomes. Salesperson behavior affected customer share of wallet through customer relationship satisfaction.</td>
<td>No</td>
<td></td>
<td></td>
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<tr>
<td>Wong and Tan (2018)</td>
<td>Malaysia</td>
<td>Empirical; Quantitative</td>
<td>Salespeople</td>
<td>Salesperson adaptive selling behavior was impacted by activity control systems and empowerment practices.</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salesforce Management Cheung and Florea (2009)</td>
<td>China, Romania</td>
<td>Theoretical</td>
<td>n/a</td>
<td>Drawing from Hofstede's work on collectivist cultures, the authors discuss the effects of cultural elements on salesforce performance management, i.e., sales management tasks.</td>
<td>Yes</td>
<td></td>
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<tr>
<td>Study</td>
<td>Country</td>
<td>Method</td>
<td>Group</td>
<td>Summary</td>
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<tr>
<td>Lin (2017)</td>
<td>Taiwan</td>
<td>Empirical; Quantitative</td>
<td>Sales Manager - Sales Representative Dyads</td>
<td>Positive person-focused feedback from manager led to salesperson performance-prove goal orientation and learning goal orientation. Negative person-focused feedback from manager led to salesperson performance-avoid goal orientation. Goal orientation also predicted performance focus of sales representatives (outcome vs. behavioral).</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Trust</td>
<td>Atuahene-Gima and Li (2002)</td>
<td>China, U.S.</td>
<td>Empirical; Quantitative</td>
<td>Salespeople</td>
<td>Results between Chinese and U.S. samples demonstrate differences relating to the effects of salesforce controls and supervisor behaviors on supervisee trust, as well as the relationship between supervisee trust and new product sales performance. Differences in the moderating effects of salesforce controls and supervisor behaviors on the trust-performance behaviors are also found.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mallin, Asree, Koh, and Hu (2010)</td>
<td>Malaysia</td>
<td>Empirical; Quantitative</td>
<td>Sales Managers</td>
<td>Results argue that managerial trust mediates the relationship between salesforce control strategies and uncertainty.</td>
<td></td>
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</tr>
</tbody>
</table>
Table 2. Meyer’s (2014a, b) Culture Map

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Driving Question</th>
<th>Spectrum</th>
<th>Spectrum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communicating</td>
<td>Is the culture high context or low context?</td>
<td>Communicated messages can be taken at face value.</td>
<td>Communicated message must be interpreted; read between the lines.</td>
</tr>
<tr>
<td>Evaluating</td>
<td>How is negative feedback given?</td>
<td>Feedback is frank, direct.</td>
<td>Feedback is more polite, indirect.</td>
</tr>
<tr>
<td>Persuading</td>
<td>What arguments are considered convincing?</td>
<td>Specific arguments Deductive reasoning</td>
<td>Holistic arguments Inductive reasoning</td>
</tr>
<tr>
<td>Leading</td>
<td>What degree of respect and deference are shown to authority figures?</td>
<td>Egalitarian (equal treatment of individuals)</td>
<td>Hierarchical</td>
</tr>
<tr>
<td>Deciding</td>
<td>To what extent does the culture value consensus?</td>
<td>Democratic decision-making</td>
<td>Unilateral decision-making</td>
</tr>
<tr>
<td>Trusting</td>
<td>Is the development of trust driven by cognition or affect?</td>
<td>Cognitive-based trust</td>
<td>Affective based trust</td>
</tr>
<tr>
<td>Disagreeing</td>
<td>What is the tolerance for open disagreement?</td>
<td>Open disagreement tolerated; debate appreciated</td>
<td>Open disagreement not tolerated; loss of face</td>
</tr>
<tr>
<td>Scheduling</td>
<td>Is time viewed as linear or flexible?</td>
<td>Linear</td>
<td>Flexible</td>
</tr>
<tr>
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<td>---</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>What patterns of behavior do you encounter when working with direct reports within your company and are located in Asia-Pacific Rim?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>What challenges arise as a result of these national-level behavioral patterns?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>How do these challenges affect your company’s sales processes and structures?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>How do these challenges affect relationships with other companies?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>How do these challenges affect inter-personal relationships with your direct reports?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>What other implications arise within and between companies due to these challenges?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>What other implications arise between individuals due to these challenges?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>How do these challenges affect relationships with customers and the company’s bottom line?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Table 4. Key Challenges Facing Sales Managers working in the Asia-Pacific Rim Region

<table>
<thead>
<tr>
<th>Theme</th>
<th>Subthemes</th>
<th>Issues and Challenges</th>
<th>Characteristic Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and sustaining cross-cultural relationships</td>
<td>Formality</td>
<td>Ritualization of meetings</td>
<td>“I wear a tie, which I don’t do very frequently, and it’s a much more formal preparation.”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Formal dress code</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Blurring of formal and social relationships</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Importance of punctuality</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hierarchy</td>
<td>“lead guy at the table” (not wanting to speak out of turn)</td>
<td>“You can have a formal meeting and then have an informal dinner drinking session.”</td>
</tr>
<tr>
<td>Cross-Cultural Communication Effectiveness</td>
<td>Frequency</td>
<td>Importance of frequent communication (both formal and informal)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Type</td>
<td>Verbal/Face-to-face meetings preferred</td>
<td>“I think nothing can beat face-to-face, right? Definitely, you would like to go and meet face-to-face”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>E-mail used differently to U.S./Western settings</td>
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<tr>
<td></td>
<td>Guarded Communication</td>
<td>What is said and what is meant may be completely different. Local team or customer may hold back information</td>
<td>“So I find that my communication with Japanese colleagues to be very measured or guarded.”</td>
</tr>
<tr>
<td>Acquisition and maintenance of trust across cultures</td>
<td>Long-term view</td>
<td>Build trust first and then discuss outcomes</td>
<td>“I’ve been working for them for many years, and it’s a journey of building trust.”</td>
</tr>
<tr>
<td></td>
<td>Local presence and knowledge</td>
<td>Adapt structures to local needs Knowledge and sensitivity towards cultural differences (filtering)</td>
<td>“The challenge for people who manage resources in those countries is being able to first understand and not necessarily jump to interpret behavior in a certain way. You’ve got to contextualize the way in which employees’ communicate, the way in which they react to certain situations.”</td>
</tr>
<tr>
<td>Language</td>
<td>Lingua franca</td>
<td>Establishing and being consistent in the use of “the language”</td>
<td>“For these countries, local language is very important.”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Importance of competency in the local language</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Being able to quickly translate a new term or phrase</td>
<td>“This had to be translated. We had a trademark agreement that was all translated.”</td>
</tr>
<tr>
<td>Decision-making</td>
<td>Stoicism</td>
<td>Feeling of “top down”, but importance of bottom-up “buy in”</td>
<td>“And so I had to navigate the way in which the older person could be in a new role without losing face for being moved out of their existing role.”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Importance of “face” or saving “face”</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Relatively slow pace (can be viewed as inefficient)</td>
<td>“For example, [company in Thailand] has been engaging the business for more than two years…still not making a decision.”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Long-term is longer</td>
<td></td>
</tr>
</tbody>
</table>
### Figure 1. Existing Knowledge on Asian Country/Cultural Issues in the Context of Sales Management

<table>
<thead>
<tr>
<th><strong>Salesforce Control Issues</strong></th>
<th><strong>Relationships/Relational Networks/Trust</strong></th>
<th><strong>Effects of Broader Cultural Issues</strong></th>
<th><strong>Leadership</strong></th>
<th><strong>Global Account Management</strong></th>
<th><strong>Gender Differences</strong></th>
</tr>
</thead>
</table>
| • The effects of salesforce control are different between U.S. and China (Atuahene-Gima and Li 2002)  
• The effects of salesforce control on salesperson attributions is different between U.S. and China (Fang, Evans, and Landry 2005)  
• Behavioral-based control systems appear to result in more positive outcomes, regardless of culture (Fatima 2016)  
• Younger salespeople in Japan indicate a preference for extrinsic rewards (Hanna and Srivastava 1998)  
• The relationship between salesforce control and uncertainty is mediated by trust (Mallin, Asree, Koh, and Hu 2010)  
• No support found for proposed negative relationships between behavioral- and compensation-based control systems and outcome variables (Piercy, Low, and Cravens 2004a)  
• Differences found the effects of incentive pay (India, Greece, and Malaysia (Piercy, Low, and Cravens 2004b)  
• Salesforce control systems affected outcomes differently between India and Mexico (Rajagopal 2007)  
• Salesforce control affects trust differentially between the U.S. and China (Atuahene-Gima and Li (2002))  
• Differences in work meaning and the effects of the quality of the supervisory relationship exist between Canada and China (Fock, Yim, and Rodriguez 2010)  
• Fongo is identified as a critical component of relationship management in Korea (Horak and Nihalani 2016)  
• The relationship between salesforce control and uncertainty is mediated by trust (Mallin, Asree, Koh, and Hu 2010) | • Salesforce control controls affect trust differentially between the U.S. and China (Atuahene-Gima and Li 2002)  
• Differences in work meaning and the effects of the quality of the supervisory relationship exist between Canada and China (Fock, Yim, and Rodriguez 2010)  
• Fongo is identified as a critical component of relationship management in Korea (Horak and Nihalani 2016)  
• The relationship between salesforce control and uncertainty is mediated by trust (Mallin, Asree, Koh, and Hu 2010) | • A review of the effects of Hofstede’s work on salesforce performance management is provided (Cheung and Flora 2009)  
• A framework of cross-cultural classification is provided (Sharma 2016) | • Salesperson leadership congruence affected satisfaction and effort significantly, with differences between U.S. and Australian samples (DeCarlo, Rody, and DeCarlo 1999)  
• The relationships between instrumental leadership and employee effort and job performance are affected by conditions of high power difference (Mulki, Caemmerer, and Heggde 2015) | • U.S./European models of global account management are not necessarily applicable to Japan (Ellis and Iwasaki 2018) | • In China, male salespeople are resistant to female sales managers (Liu, Comer, and Dubinsky 2001) |
References


Panagopoulos, Nikolaos G., Nick Lee, Ellen Bolman Pullins, George J. Avlonitis, Pascal Brassier, Paolo Guenzi, Anna Humenberger, Piotr Kwiatek, Terry W. Loe, Elina


