MICHAEL AHEARNE, SCOTT B. MACKENZIE, PHILIP M. PODSAKOFF, JOHN E. MATHIEU, and SON K. LAM*

Although team-based selling is highly prominent in practice, research on the drivers of its effectiveness is sparse. Drawing from the literature on climate consensus, the authors propose that in addition to leadership and team factors, team consensus plays a critical role in boosting sales team effectiveness. Using survey and archival data from a sample of 185 pharmaceutical sales teams, the authors find that high team consensus regarding team-level leadership empowerment behaviors (LEBs) and team interpersonal climate quality enhances team potency given high LEBs but weakens team potency given low LEBs. In turn, team potency translates into sales team performance through both extra-role (team helping behavior) and in-role (team effort) behavior. The authors discuss the implications of these findings.

Keywords: team selling, team consensus, empowerment, interpersonal climate, pharmaceutical selling

The Role of Consensus in Sales Team Performance

During the past 15 years, many companies have shifted from a traditional sales model featuring individual sales representatives to a team-based selling approach (Moon and Armstrong 1994). Today, as many as 75% of companies sell in teams (Cummings 2007). Team-based selling models help firms achieve coordinated strategy, greater cross-selling, and better solutions for customers (Moorman and Albrecht 2008). Unfortunately, although industry has embraced the team-based approach to sales and customer service with open arms, the research community has not. Indeed, as Perry, Pearce, and Sims (1999, p. 35) note, “The increased use of selling teams has not been matched by an increased understanding of how to foster enhanced selling team effectiveness.” This is surprising because it has been more than a decade since Moon and Armstrong (1994) called for researchers to study the factors influencing the effectiveness of sales teams.

Conversely, there is a substantial body of literature on the factors influencing the performance and effectiveness of individual salespeople (e.g., Churchill et al. 1985). This research stream has provided valuable insights and findings, some of which might also hold true at the team level (e.g., the positive link between sales effort and performance). However, we do not know which of these insights can be generalized to the sales team level. In general, this literature has not considered the unique aspects of teams. This is an important issue because sales teams are more than just a collection of individuals. According to Guzzo and Dickson (1996), a team is made up of individuals who view themselves and are viewed by others as a social entity, are interdependent because of the tasks they perform as members of a the team, are embedded in a larger organization, develop a sense of shared commitment and strive for synergy among team members, and perform tasks that affect others such as customers or coworkers. Although teams can perform better than collections of individuals because the interdependent nature of teams fosters workload balancing, information sharing, coaching, and peer-to-peer motivating, this may not always be the case. Teams are also subject to what Steiner (1972) calls “process losses” rooted in interpersonal conflicts, communication inefficiencies, and the need to devote
attention to group maintenance functions. Thus, sometimes team performance is better than what could be achieved by the individuals alone, and sometimes it is worse. Consequently, we want to gain a better understanding of the factors influencing sales team performance.

However, understanding the determinants of sales team performance is fraught with difficulty for at least two major reasons. One difficulty is that team performance (output) is a complex function of many different inputs, processes, and emerging cognitive and emotional states. For example, the widely used input–process–output model (e.g., Hackman 1987; Marks, Mathieu, and Zaccaro 2001; Steiner 1972) posits that team inputs (e.g., team, supervisor, organizational, and contextual characteristics) influence team processes (e.g., planning, strategy formulation, conflict management) and emergent states (e.g., cohesiveness, group potency), which ultimately lead to team outputs (e.g., effort, performance, efficiency). Although previous research on teams has examined the isolated effects of a few team inputs (e.g., cross-functional diversity, demographic diversity, leadership structures) on team outputs, much more needs to be known about the factors affecting sales team performance and the mediating mechanisms through which they produce their effects.

A second problem is that team members may not perceive/experience the inputs, processes, and emergent states in the same way. This is important because a lack of team consensus can create problems or magnify them. Conversely, strong consensus can prevent problems or diminish them. For example, it is more difficult for the group to formulate strategies and coordinate efforts when there is a lack of consensus about the environmental situation. This might suggest that the positive relationship between goal setting and performance should be stronger for teams that have a strong consensus about their environmental situation than for those that disagree on their environmental situation. Similarly, Mohammed and Dumville (2001) argue that when team members have a shared mental model of how to perform their task based on a common organization and understanding of task relevant information, team performance is greater because communication and coordination is greater. Finally, it is difficult for sales teams to adapt to rapidly changing environments when the members of the team do not agree on how to respond to the changes.

Perhaps an even better example of the moderating effects of group consensus can be found in the service climate literature. Service climate can be defined as employees’ perceptions of the service-related behaviors, practices, and procedures that are rewarded, supported, and expected in the work setting (e.g., Schneider 1990). Research on service climate strength focuses on perceptual variability within teams. Schneider, Salvaggio, and Subirats (2002) argue that service climate strength (i.e., climate consensus), defined as the extent to which service providers share the same perception about the service climate, should moderate the effect of service climate on customer perceptions of service quality. More specifically, they argue (p. 221) that “when climate is both positive and strong, one would expect the most consistently positive behavior from employees; further when climate is both negative and strong, one would expect the most consistently negative behaviors.... In other words, in weak climate conditions regardless of the level of climate perceptions, predictions of behavior would be less reliable than when the climate is strong.” This suggests that the variation in team member perceptions (i.e., team consensus) plays an important role in strengthening or weakening the impact of team inputs, processes, and emerging states on team outputs. Indeed, Schneider, Salvaggio, and Subirats argue (p. 220) that “climate strength is one of an entire class of variance constructs, many of which have received little empirical exploration and much less validation.”

Therefore, the purpose of this article is to test a series of hypotheses about the moderating effects of team consensus on the determinants of sales team performance. More specifically, we examine how team consensus moderates the impact of inputs from supervisors, in the form of leadership empowerment behavior (LEB), and team processes, such as interpersonal climate, on sales team performance. In addition, we examine how the moderating effects of team consensus on performance are mediated by perceptions of team potency. We test these hypotheses using data from members of 185 sales teams linked to company records of sales team performance. To the best of our knowledge, this research is the first empirical test of the moderating effects of team consensus on sales team performance in the marketing literature.

**THE ROLE OF TEAM CONSENSUS**

Because team consensus and team performance are both team-level constructs arising from phenomena occurring at the level of the individual team member, it is crucial to think carefully about the composition model that specifies the functional relationships between phenomena at these two levels of analysis (e.g., Chan 1998; Harrison and Klein 2007). These composition models and the functional relationships they embody provide a systematic framework for mapping the transformation of the phenomena across levels and thus permit more precise conceptualization. We transfer two key aspects of the individual-level phenomena to the team level: their mean level and their variability around the mean. As Chan (1998) notes, the mean translates the individual-level phenomena into the team level using an “additive” model, and the standard deviation translates the individual-level phenomena into the team level using a “dispersion” model. The additive model has been widely used in the sales team literature and is the most commonly used composition model in group-level research.

However, the dispersion model has rarely been used in the sales team literature. This is unfortunate because the degree of team “consensus” or “disagreement” captured by the dispersion model is an important aspect of the team-level phenomena that should be examined. For example, Harrison and Klein (2007) note that a lack of consensus or disagreement can arise from quantitative differences on a single attribute or dimension (e.g., opinions, beliefs, attitudes) or qualitative differences in kind (e.g., race, gender, functional background) across team members. Regardless of the type, dispersion is inherently a team-level construct because it refers to a property of the team as a whole rather than to an attribute of a specific team member (Chan 1998; Harrison and Klein 2007). Thus, dispersion models treat variability within a team as a theoretically significant phenomenon in its own right. This is in contrast to traditional
multilevel research, which treats within-group variability as error (Chan 1998; Schneider, Salvaggio, and Subirats 2002).

This is important because we believe that the consensus among team members (as measured by the dispersion in their perceptions) may moderate the relationship between average team-level input, process, and output variables. For example, a lack of consensus among team members may be an important source of process losses in teams because “[m]embers of a subgroup may … cohere and share opinions more often within the subgroup than with others, which may lead to irritation in the team and disputes between the different factions” (Gibson and Vermeulen 2003, p. 203). This lack of consensus could weaken the relationship between team inputs and outputs. Consensus may also serve as an important regulator of effective group functioning. For example, when team members differ in their perceptions of the goal they are trying to achieve, it may lead to wasted effort and other inefficiencies that diminish the likelihood that the team will be successful. This implies that the variability in perceptions of the work environment across sales team members may alter the impact of the mean level of these perceptions on sales team outcomes.

Therefore, the focus of this research is on (1) the main effect of team members’ perceptions of LEBs and team interpersonal climate and (2) how variability in these perceptions moderates the strength of this effect on the potency, effort, helping behavior, and performance of sales teams. This is consistent with Schneider, Salvaggio, and Subirats’s (2002, p. 227) warning that “[m]ore systematic research is clearly needed regarding the role that within-group variability plays in organizational theories. Researchers … have typically ignored such variability as if it were theoretically uninteresting; but in doing so, we may have overlooked potentially important insights into when and under what circumstances such variability plays an important role in our understanding of … organizations.” We summarize the hypothesized relationships in Figure 1 and discuss them in greater detail in the following sections.

**PREDICTIONS**

**LEBs**

The concept of empowerment has received some attention in the sales literature (e.g., Ahearne, Mathieu, and Rapp 2005) and is of particular interest in a sales team context. Indeed, Weitz, Sujan, and Sujan (1986, p. 183) note that empowerment is particularly advantageous when “(1) the problem to be solved is not highly structured, (2) subordinates have more information than their managers for solving the problem, and (3) the solutions to the problem must be accepted by the subordinates to ensure implementation.… For all except the most routine selling jobs, these conditions appear to prevail.”

Conger and Kanungo (1988) describe empowerment in terms of leader behaviors that foster a sense of self-determination on the part of followers and create conditions that heighten their motivation for task accomplishment. Subsequent research (e.g., Ahearne, Mathieu, and Rapp 2005) has extended Conger and Kanungo’s original conceptualization of empowerment to include four types of leader behaviors: (1) “Encouraging autonomy” is behavior on the part of the sales team leader that helps sales team members perform their jobs in the manner they believe is most efficient, (2) “fostering participation in decision making” is behavior on the part of a sales team leader aimed at soliciting inputs from sales team members in problem situations and inviting their active involvement in the decision-making process, (3) “expressing confidence in the performance of followers” is managerial behavior that communicates high expectations and shows confidence in the team’s ability to meet those expectations, and (4) “enhancing the meaning-
fulness of work” is managerial behavior that emphasizes the purpose and meaning of the team members’ work such that they identify themselves and their team as being important members of the organization.

A primary goal in transitioning to a sales team structure is to assemble individuals with various skills who can collectively act to advance the sales mission of the firm (Perry, Pearce, and Sims 1999). However, this will happen only if the team has been empowered to act and feels capable of doing so effectively. Leadership empowerment behaviors enhance a sales team’s belief that it can achieve its sales objectives (i.e., potency) in several ways (Conger and Kanungo 1988). First, if administrative roadblocks stand in the way of interfacing with customers and providing client solutions, team members will likely feel incapacitated and unable to achieve their objectives. Encouraging autonomy can free up team members to adapt to their sales environment. Consistent with this, job autonomy has been found to be positively related to perceptions of self-efficacy and to the performance of teams (De Jong, De Ruyter, and Lemmink 2004; Sethi, Smith, and Park 2001).

Second, fostering participation in decision making can eliminate the disenfranchisement and powerlessness of an authoritarian style (Conger and Kanungo 1988). For example, seeking input from team members or allowing them to participate in decision making is likely to increase their sense of “ownership” and commitment to the decision. Without this, team members are less likely to believe that they have the power to control important aspects of their work and may be less committed to the decisions made by others. Third, leaders can build a sense of collective potency by expressing confidence that the team can perform at high levels and overcome obstacles. Finally, Bennis and Nanus (1989, p. 93) note that “[effective] leaders often inspire their followers to high levels of achievement by showing them how their work contributes to worthwhile ends. It is an emotional appeal to some of the most fundamental needs—the need to be important, to make a difference, to feel useful, [and] to be part of a successful and worthwhile enterprise.”

Thus, by enhancing the meaningfulness of work, managers can enhance a team’s sense of potency. Accordingly, we expect the following:

H1: LEBs are positively related to team potency.

Team Interpersonal Climate Quality

Another factor that is likely to be related to a team’s sense of potency is its interpersonal climate or sense of how well team members are able to work together. This is important because the purpose of having sales people work together is to create synergies among team members with different levels of skills and experiences, and a bad interpersonal climate could undermine this synergy. Following Marks, Mathieu, and Zaccaro’s (2001) typology, we define team “interpersonal climate” as distinctive patterns of collective beliefs about interpersonal processes, which include conflict management, affect management, and motivation and confidence building. “Conflict management” has a preemptive component that involves establishing conditions to prevent, control, or guide team conflict before it occurs and a reactive component that involves working through task and interpersonal disagreements among team members. “Affect management” consists of the team’s ability to regulate the emotions of team members (e.g., excitement, frustration, disappointment) arising during task accomplishment. Finally, “motivation and confidence building” pertain to the team’s ability to generate and preserve a sense of collective confidence, motivation, and task-based cohesion with regard to task accomplishment.

Prior research has conceptualized climate quality as a shared perception about a particular referent (Schneider, Salvaggio, and Subirats 2002) and has operationalized it as the team members’ average response or the group mean. Consistent with this, we define team interpersonal climate quality as the mean level of members’ shared perception about the interpersonal processes within the team, with the proximity of the group mean to the positive endpoint of the response scale reflecting how “good” the specific climate is (e.g., Lindell and Brandt 2000).

We expect that interpersonal climate quality is positively related to team potency because it increases team functioning and prevents team process losses. According to Steiner’s (1972) model of group performance, process losses are a result of less-than-optimal ways of coordinating members’ resources into a group product, and the group performance literature shows that these losses are often due to interpersonal processes (Guzzo and Dickson 1996; Hackman 1987; Marks, Mathieu, and Zaccaro 2001). Consequently, teams that are capable of preventing or keeping interpersonal conflicts to a minimum should be able to focus a higher proportion of their energy on task accomplishment, thus increasing the team’s sense of potency. Similarly, sales teams that are able to preserve a high level of motivation and confidence in the face of obstacles should have higher levels of potency than those that do not. Finally, teams that can manage the inevitable negative emotions associated with the selling process are more likely to maintain their perceptions of potency than teams that are less emotionally resilient. Thus, we expect the following:

H2: Team interpersonal climate quality is positively related to team potency.

Moderating Effects of Team Consensus

Effects of team interpersonal climate consensus on the relationship between climate quality and team potency. The foregoing discussion about team interpersonal climate quality is related to the mean level of shared perceptions. However, it ignores the possibility that team members can perceive or experience the interpersonal climate differently. Thus, it is theoretically important also to consider team interpersonal climate consensus, which captures the dispersion of team members’ perceptions about the mean rating of the team interpersonal climate.

Our hypotheses regarding the moderating effects of interpersonal climate consensus are based on the work of Schneider, Salvaggio, and Subirats (2002). They argue that service climate strength (i.e., consensus) moderates the effect of service climate on customer perceptions of service quality. Their reasoning is based on Mischel’s (1976) observation that individual differences influence behavior the most in weak, ambiguous situations and that such differences have little effect on behavior when the situation is strong. Schneider, Salvaggio, and Subirats posit (p. 221)
that an organizational climate is analogous to Mischel’s situation construct and that an organization with a strong climate is one in which events are perceived the same way by virtually all members of the team and “should produce uniform behavior from people in that setting.” More specifically, Schneider, Salvaggio, and Subirats predict that when employees perceive the service climate in the same way (high team consensus), the relationship between their perceptions of the service climate and customer ratings of service quality will be stronger than when employees perceive the service climate differently. Although Schneider, Salvaggio, and Subirats test this hypothesis only in the context of service climate, consistent with their more general hypothesis, we expect that interpersonal climate strength has similar moderating effects:

\[ H_3: \text{Team interpersonal climate consensus moderates the relationship between interpersonal climate quality and team potency, such that the positive effect of interpersonal climate quality is stronger when climate consensus is higher than when it is lower.} \]

**Effects of team interpersonal climate consensus on the relationship between LEBs and team potency.** Although we would typically expect the degree of consensus among team members regarding a particular input variable to moderate the impact of the mean level of that variable on team outputs, Marks, Mathieu, and Zaccaro (2001) predict that process variables, such as interpersonal climate, may have additional moderating effects. More specifically, Marks, Mathieu, and Zaccaro note (p. 357) that team processes are “the means by which members work interdependently to utilize various resources, such as expertise, equipment, and money, to yield meaningful outcomes (e.g., product development, rate of work, team commitment, satisfaction)” and that good team processes facilitate the transformation of inputs into outputs. This implies that process variables may moderate the impact of other inputs on emergent states and team performance.

Indeed, there are several reasons we expect a process variable such as team interpersonal climate consensus to moderate the impact of LEBs (an input variable) on team potency (an emergent state). First, when team members do not differ much from each other in their perceptions about the team interpersonal climate (i.e., high consensus), they are likely to develop uniform expectations and norms about the most appropriate behavior to resolve interpersonal matters (Mischel 1976; Schneider, Salvaggio, and Subirats 2002). Consequently, they will handle intrateam conflicts, manage their affect, and engage in peer-to-peer motivation in a consistent manner. Second, because team interpersonal climate lays the foundation for other team processes (e.g., goal setting, strategy formulation), empowered teams that perceive their interpersonal climate in the same way are more likely to perform at a higher level. Empowered members of teams with strong interpersonal climate consensus will be able to capitalize on the autonomy, the decision-making participation, management confidence, and work meaningfulness stimulated by their leaders. Members in these sales teams will be able to reach a viable selling strategy faster, take advantage of fleeting sales opportunities without much debate, and devote precious time on more productive behavior. Thus, compared with counterparts on teams that do not share a common perception about their interpersonal processes, empowered team members who share a common perception should be more effective and efficient in all their activities. This suggests the following:

\[ H_4: \text{Team interpersonal climate consensus moderates the relationship between LEBs and team potency, such that the positive effect of LEBs is stronger when climate consensus is higher than when it is lower.} \]

**Effects of team LEB consensus on the relationship between LEBs and team potency.** Leadership empowerment behaviors are likely to enhance the team’s perceptions of potency for several reasons. However, team members may disagree on the extent to which they have been empowered by the leader. This is consistent with the work of Graen and Uhl-Bien (1995), who demonstrate that leaders establish a unique relationship with each employee under their supervision. This disagreement is important because it is likely to undermine the impact of LEBs on team potency. Teams that have low LEB consensus disagree on the extent to which they are permitted to participate in decision making, on the leader’s confidence in their ability to perform at a high level, and on the extent to which they are permitted to work autonomously, and this disagreement can create uncertainty and undermine the beneficial effects of LEBs on team potency. In contrast, teams with high LEB consensus agree on all these elements, and this agreement should enhance the relationship between LEBs and team potency. Thus, we hypothesize the following:

\[ H_5: \text{Team LEB consensus moderates the relationship between LEBs and team potency, such that the positive effect of LEBs is stronger when team LEB consensus is higher than when it is lower.} \]

Note that though we argue that consensus about how to handle interpersonal conflict is necessary to transform LEBs into a sense of team potency, the reverse is not true. This is because the beneficial effects of good team processes do not depend on the team having a consensus about whether it has been empowered by its leader. Regardless of whether team members agree on this, having a positive interpersonal climate quality is bound to have a beneficial effect on the team’s sense of potency. However, as we argued previously, good team processes can enhance the effect of LEBs because good team processes facilitate the transformation of inputs into outputs (Marks, Mathieu, and Zaccaro 2001).

**Effects of Team Potency on Team Sales Effort and Team Helping Behavior**

Self-efficacy proponents would argue that the first step in goal achievement is for the sales team to believe that it can achieve the sales goal and commit to achieving it. When the team is committed to achieving its sales goals, evidence suggests that effort will increase (Locke and Latham 1990). Although there is a subtle distinction between team efficacy (beliefs about a specific task) and team potency (more generalized beliefs), the two constructs are highly correlated (e.g., De Jong, De Ruyster, and Wetzel 2005). We expect that when team members believe that they can accomplish their goals (i.e., potency), they will be driven to expend the necessary effort to achieve them.
One behavior that sales teams may view as instrumental to achieving their goals is making sales calls. Indeed, the number of sales calls made during a given period is often considered an important measure of a salesperson’s effort and a key antecedent of performance (Brown and Peterson 1994; Parsons and Vanden Abeele 1981). Thus, we expect sales teams that perceive themselves as having higher levels of potency to exhibit greater effort by making more sales calls than teams that perceive themselves as having lower levels of potency.

In addition, teams with higher perceived levels of potency may also exhibit greater levels of other behaviors they believe are instrumental to achieving their goals. One such behavior is helping teammates with work-related problems. Prior research has defined helping behavior as a combination of altruism, courtesy, peacekeeping, and cheerleading (Organ, Podsakoff, and MacKenzie 2006) and has shown that it is related to sales unit performance (Podsakoff and MacKenzie 1994). Therefore, teams that perceive themselves as being high in potency are expected to expend effort in the form of helping behavior to achieve their sales goals. Thus, we hypothesize the following:

\[ H_6: \text{Team potency is positively related to team helping behavior.} \]

**Effect of Team Sales Effort and Helping Behavior on Team Performance**

As Figure 1 shows, we expect that sales team performance is directly influenced by two key antecedents. The first is team helping behavior. Prior research (Organ, Podsakoff, and MacKenzie 2006) indicates that helping behavior may increase team performance by enhancing the team’s spirit and morale, cohesiveness, coordination, and/or sales efficiency. Consistent with this thinking, research conducted in nonsales settings (e.g., Podsakoff, Ahearne, and MacKenzie 1997) has shown that team helping behavior is positively related to team performance. Second, we expect the number of team sales calls to be related to team performance. Although there is little evidence in support of this expectation at the sales team level, there is a great deal of evidence at the level of the individual salesperson (Brown, Cron, and Slocum 1997). This suggests the following:

\[ H_7: \text{Team potency is positively related to team sales effort.} \]

\[ H_8: \text{Team helping behavior is positively related to sales team performance.} \]

\[ H_9: \text{Sales team effort is positively related to sales team performance.} \]

**METHOD**

**Sample**

We collected data from sales teams of a pharmaceutical company that markets several products to physicians. These sales teams were organized geographically and by specialty. Although the sales team members called on physicians independently, they coordinated their sales calls, shared information about physician and patient needs, shared sales strategies, cross-sold product lines, followed up on visits by other members of the team, and were paid in part by the achievement of team goals. Approximately 15% of the team’s compensation is based on sales to target or bonus. Thus, the teams had task, goal, and reward interdependence.

We contacted sales team members by sending them e-mails with links to an Internet-based survey. For those who failed to respond, we sent reminder e-mails twice, followed by paper copies of the surveys. These steps produced 1070 (82%) usable responses from sales representatives (52% female) who were members of 185 sales teams with at least 3 members and had worked in their teams for an average of 3.2 years. To control for method artifacts and nonresponse bias, we compared all construct means and did not find significant differences between the respondents of the two methods of survey administration or between early and late respondents.

**Construct Measures**

The data came from both surveys and company records. We collected data on team perceptions of team interpersonal climate quality, team-directed LEBs, team potency, and team helping behavior directly from multiple sales team members. To capture these constructs at the team level, the referent for all these measures was either the “sales team” itself or “sales team members.” We adapted existing scales to fit a pharmaceutical sales setting and confirmed their applicability through discussions with company representatives. The final list of items, construct means, standard deviations, and factor loadings appear in the Web Appendix (http://www.marketingpower.com/jmrjune10).

We measured team interpersonal climate quality by asking team members about their perceptions of their team’s interpersonal processes using a three-item scale adapted from Marks, Mathieu, and Zaccaro (2001). Consistent with previous research on organizational climate (e.g., Lindell and Brandt 2000), we operationalized this construct as the within-group mean of team members’ perceptions of team interpersonal processes (i.e., the grand mean across members across items). The higher the mean, the more harmonious the climate is within the team. We measured the empowerment behavior of sales managers using Ahearne, Mathieu, and Rapp’s (2005) LEB scale. We operationalized team-level LEBs as the mean of the composite score of each team.

To capture the variability in team member perceptions of climate quality, we averaged the interpersonal climate measures for each team member to produce a composite score for the construct and then calculated the standard deviation of these composite scores across team members. We then multiplied this standard deviation by −1 to obtain our measure of team interpersonal climate consensus because a smaller standard deviation reflects greater team consensus. We operationalized team LEBs consensus in a similar manner. This method of measuring consensus is consistent with Harrison and Klein’s (2007, p. 1203) recommendation that when “differences in (lateral) position or opinion among unit members, primarily of value, belief, or attitude” are of theoretical interest, the standard deviation is the most conceptually appropriate index of within-unit variability. In addition, our approach is consistent with Roberson, Sturman and Simons’s (2007) recent simulation study, which concluded that the standard deviation has several advantages over other indexes of team variability: (1) It does not increase with team size, (2) it is in the same metric as the original variable, (3) it does not require any assumption about the null distribution for random agreement, and, most
important, (4) it has lower Type I and Type II error rates than other commonly used indexes of within-unit variability.

We assessed team potency using a five-item scale adapted from Guzzo and colleagues (1993). We conceptualized team helping behavior as a second-order construct, with four first-order subdimensions (altruism, courtesy, peacekeeping, and cheerleading) as formative indicators (e.g., Jarvis, MacKenzie, and Podsakoff 2003). We measured these subdimensions using seven items from MacKenzie, Podsakoff, and Fetter (1993), which we adapted to capture behavior at the team level (e.g., “members of my sales team...”). We first averaged scores on these items for each individual team member and then averaged these across all team members. We measured team effort and performance with objective information obtained from company records during the three-month period beginning immediately after we collected the other data. We measured team effort as the average number of sales calls made by the team during the three-month period immediately following the survey. We measured team performance as the percentage of sales quota the team achieved. This is a strong measure of performance because it controls for differences across teams, such as team size, territory size, and market potential (Churchill et al. 1985).

Data Aggregation, Level of Analysis, and Analytical Procedures

We aggregated sales team members’ subjective ratings on the behaviors by averaging their perceptions of the interpersonal processes, LEBs, helping behavior, and potency across the team members. The indexes of within-group agreement for all these constructs indicated that aggregation across members of the same team was appropriate. We selected partial least squares as the method of analysis because we wanted to estimate the effects of the exogenous variables and their interactions on four causally related criterion measures, one of which is a latent construct with reflective measures (i.e., team potency) and another of which is a latent construct with formative measures (i.e., team helping behavior). Partial least squares analysis is capable of simultaneously estimating all these relationships, without making stringent assumptions about the distribution of the variables and sample size required by maximum likelihood techniques. We multiplied standardized scores to test for interactive effects and followed Chin’s (1998) recommendation to use bootstrapping (with 500 runs) as the resampling procedure.

RESULTS

Measurement Models

We evaluated measure reliability and validity for the constructs with reflective measures using confirmatory factor analysis (see the Web Appendix at http://www.marketingpower.com/jmrjune10) and found that (1) all items had significant factor loadings, (2) none of the items had substantial cross-loadings on nonhypothesized factors, (3) the Cronbach’s alphas were greater than .70, and (4) the average variance extracted was greater than .50. This suggests that all these constructs exhibited sound psychometric properties. For the constructs with formative measures (team interpersonal climate quality, empowerment, and helping), we evaluated the measurement scales by examining the path weights of their indicators. For the two second-order constructs of empowerment and helping behavior, we assessed the path weights of each first-order factor on the second-order factor using Chin and Gopal’s (1995) recommended method. The results show that for team interpersonal climate, one item about team conflict management exhibited a low path weight as a result of indicator collinearity (average $r = .70, p < .00$). However, we retained this item because dropping it would seriously undermine the content domain of this formative construct (see the Web Appendix at http://www.marketingpower.com/jmrjune10).

Table 1 reports the correlations among the constructs. All the unattenuated construct intercorrelations were significantly less than 1.00, which provides evidence of discriminant validity.

Hypothesis Testing

Table 2 reports the standardized path coefficients for three models: a main effects (only) model, the hypothesized model, and a final model after mediation tests were conducted (with additional paths from team interpersonal climate quality to team helping behavior and team performance). We found support for most of the hypothesized relationships.

Direct effects. Both LEBs and team interpersonal climate quality were positively related to team potency ($\beta = .25$ and $.41, p < .01$, respectively). Therefore, both $H_1$ and $H_2$ are supported.

Table 1

<table>
<thead>
<tr>
<th>Variable</th>
<th>M</th>
<th>SD</th>
<th>Mdn $t_{WG}$</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Team interpersonal climate quality$^a$</td>
<td>4.17</td>
<td>.51</td>
<td>.94</td>
<td>.37</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Team interpersonal climate consensus$^b$</td>
<td>–.67</td>
<td>.33</td>
<td>—</td>
<td>.15</td>
<td>.21</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. LEBs$^a$</td>
<td>5.78</td>
<td>.65</td>
<td>.93</td>
<td>.37</td>
<td>.58</td>
<td>.12</td>
<td>.08</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. LEB consensus$^b$</td>
<td>–.92</td>
<td>.51</td>
<td>—</td>
<td>.60</td>
<td>.10</td>
<td>.10</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Team potency</td>
<td>5.88</td>
<td>.43</td>
<td>.89</td>
<td>.44</td>
<td>.17</td>
<td>.23</td>
<td>.10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Team helping behavior$^a$</td>
<td>5.78</td>
<td>.57</td>
<td>.92</td>
<td>.49</td>
<td>.17</td>
<td>.23</td>
<td>.24</td>
<td>.67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Team effort (average number of sales calls)$^c$</td>
<td>127.61</td>
<td>34.86</td>
<td>—</td>
<td>.07</td>
<td>.03</td>
<td>.23</td>
<td>.26</td>
<td>.19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Team performance (% quota achieved)$^c$</td>
<td>1.08</td>
<td>.26</td>
<td>—</td>
<td>.22</td>
<td>.02</td>
<td>.00</td>
<td>.07</td>
<td>.23</td>
<td>.26</td>
<td></td>
</tr>
</tbody>
</table>

$^a$Formative constructs.

$^b$Reverse-coded standard deviation.

$^c$Objective measures from company records.

Notes: $|r| \geq .16, p < .05; |r| \geq .21, p < .01$ (two-tailed). $N = 185$ sales teams.
The role of consensus in sales team performance

In the hypothesized model, team interpersonal climate consensus surprisingly did not interact with team interpersonal climate quality (\(\beta = -0.04\), not significant [n.s.]); therefore, \(H_3\) is not supported. As we predicted in \(H_4\) and \(H_5\), the interactions between LEBs and team interpersonal climate consensus and between LEBs and LEBs consensus were both significant and in the predicted direction (\(\beta = -0.16\) and \(0.20\), \(p < 0.01\), respectively). Team interpersonal climate quality, LEBs, team consensus about these variables, and their interactions together explained 29% of the total variance in team potency.

To examine the form of the interactions, we plotted them separately in Figure 2, Panels A and B. The interaction plots showed that when team interpersonal climate is strong, the effects of LEBs on team potency are positive and significant, but when team interpersonal climate is weak, this relationship is not significant. In addition, the interaction plots showed that LEBs had a significant, positive effect on team potency when members agreed on the extent to which they were empowered by their leader but no effect when members disagreed on the extent to which they were empowered by their leader. Notably, high consensus about interpersonal climate and LEBs weakens team potency given low LEBs but elevates team potency given high LEBs.

Impact on performance. Consistent with \(H_6\) and \(H_7\), team potency was positively related to both team sales effort (\(\beta = 0.31, p < 0.01\)) and helping behavior (\(\beta = 0.69, p < 0.01\)). The proportion of variance in team sales effort and helping behavior explained by team potency was 10% and 48%, respectively. Finally, team performance was positively related to team effort (\(\beta = 0.12, p < 0.05\)) and team helping behavior (\(\beta = 0.22, p < 0.01\)), in support of \(H_8\) and \(H_9\). Together, team helping behavior and effort accounted for 8% of the variance in objective sales performance.

To test whether the impact of team interpersonal climate quality and empowerment on sales performance was fully mediated by team potency, we added direct paths, one at a time, from these predictors to team helping behavior, team

Table 2

<table>
<thead>
<tr>
<th>Hypothesized Relationships</th>
<th>Hypothesized Model</th>
<th>Final Model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Team Potency</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(H_1): LEBs (\rightarrow) team potency</td>
<td>0.17***</td>
<td>0.25***</td>
</tr>
<tr>
<td>(H_2): Team interpersonal climate quality (\rightarrow) team potency</td>
<td>0.42**</td>
<td>0.41**</td>
</tr>
<tr>
<td>(H_3): Team interpersonal climate quality (\times) team interpersonal climate consensus (\rightarrow) team potency</td>
<td>(-0.04)</td>
<td>(-0.03)</td>
</tr>
<tr>
<td>(H_4): LEBs (\times) team interpersonal climate consensus (\rightarrow) team potency</td>
<td>(-0.16**)</td>
<td>(-0.16**)</td>
</tr>
<tr>
<td>(H_5): LEBs (\times) team LEB consensus (\rightarrow) team potency</td>
<td>(-0.20**)</td>
<td>(-0.20**)</td>
</tr>
<tr>
<td><strong>Team Effort</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(H_6): Team potency (\rightarrow) team effort</td>
<td>0.10*</td>
<td>0.10*</td>
</tr>
<tr>
<td><strong>Team Helping Behavior</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(H_7): Team potency (\rightarrow) team helping behavior</td>
<td>0.31**</td>
<td>0.31**</td>
</tr>
<tr>
<td>(Additional path) Team interpersonal climate quality (\rightarrow) team helping behavior</td>
<td>(-)</td>
<td>(-)</td>
</tr>
<tr>
<td><strong>Team Performance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(H_8): Team effort (\rightarrow) team objective performance</td>
<td>0.12*</td>
<td>0.12*</td>
</tr>
<tr>
<td>(H_9): Team helping behavior (\rightarrow) team objective performance</td>
<td>(-0.22**)</td>
<td>(-0.22**)</td>
</tr>
<tr>
<td>(Additional path) Team interpersonal climate quality (\rightarrow) team objective performance</td>
<td>(-)</td>
<td>(-)</td>
</tr>
</tbody>
</table>

*\(p < 0.05\).
**\(p < 0.01\).

\(^a\) Variance explained in endogenous variables.
effort, and team performance. We then reran the bootstrap resampling procedure to assess the direct impact and the possible incremental changes in variance explained in the respective criterion variables. As the last column of Table 2 indicates, we found that in addition to the hypothesized indirect effects, team interpersonal climate quality exerts a direct effect on both team helping behavior ($\beta = .26, p < .01$) and sales team performance ($\beta = .13, p < .05$). None of the other direct effects of the exogenous variables on helping, effort, or performance were significant. The relationship between team potency and team performance is fully mediated by team helping and team effort. In addition, because it is possible to argue that interpersonal climate quality moderates the impact of LEBs on team potency, we entered an additional interaction term to the hypothesized model. This path was not significant ($\beta_{\text{LEB} \times \text{Climate quality}} = -.04, p > .20$). These results suggest that though team interpersonal climate quality is important, team interpersonal climate consensus creates the boundary conditions.

Team interpersonal climate quality and team potency together explained 53% variance in team helping behavior, an increase of 5% compared with when we used only team potency as the predictor. When we included team interpersonal climate quality as a predictor of team performance, the path coefficient from team helping behavior to team performance dropped but remained significant. The estimates of other paths also remained significant. In the final model, the variance explained in objective sales performance was 9%, an effect size that is fairly high compared with previous marketing research using objective data.

Testing Rival Hypotheses

Testing for nonlinear effects. We also tested two rival explanations for the pattern of effects reported in Table 2. The first was whether the moderating effects of team consensus were due to nonlinearities in the LEBs and interpersonal climate quality scales. If the impact of LEBs and interpersonal climate quality on team potency increases at a decreasing rate as the mean level of these predictors increases, it could possibly explain why the consensus variables moderate the impact of these predictors on team potency. This is because as the mean level approaches the endpoint of the scale, the variability around the mean (which is our measure of group consensus) may decrease because of this ceiling effect. To rule out this alternative explanation, we (1) recoded the LEBs and interpersonal climate quality measures using a log transformation, (2) created terms that capture the interaction between the original consensus variables and the newly transformed LEBs and interpersonal climate quality variables, and (3) reestimated the hypothesized model. If this rival explanation is correct, the interaction terms will not be significant. However, the results indicate that all the hypothesized interactions remained significant even when we use the recoded variables that capture the potential nonlinearity in the data. Therefore, this explanation cannot account for the observed pattern of effects.

Controlling for measurement error. A second rival hypothesis we wanted to test was whether the moderating effects of the team consensus variables were due to differences in team members’ perceptions rather than to measurement error. The total observed variance of team members’ ratings around the group mean of a construct measured by multiple items can arise from two systematic components: variance in the average construct scores between members and variability between items measuring the construct within members. Because the data for each team consist of a matrix of i rows (one for each of the N team members with a row mean of $\bar{X}_i$) and j columns (one for each of the J items in the scale with a column mean of $\bar{X}_{ij}$) with one observation of $X_{ij}$ in each cell, the total variance in $X_{ij}$ for the team for each construct (e.g., LEB) can be decomposed into three components using an analysis of variance (ANOVA): (1) between-member variation due to differences in the ratings for the construct across the N team members (see Equation 1), (2) between-item variation due to differences in how each member varies in his or her ratings across the J items (see Equation 3), and (3) random error variance:

\[
\text{Var}(X_{ij}) = \sum_{i=1}^{N} \frac{(X_{i} - \bar{X})^2}{(N-1)},
\]

\[
\text{Team consensus} = \sum_{i=1}^{N} \frac{(X_{i} - \bar{X})^2}{(N-1)},
\]

\[
\text{Var}(X_{ij}) = \sum_{j=1}^{J} \frac{(X_{ij} - \bar{X})^2}{(J-1)},
\]

\[
\text{Between-item variation index} = -\sqrt{\sum_{i=1}^{N} \frac{(X_{ij} - \bar{X})^2}{(J-1)}}.
\]

Given our desire to capture the effects of team consensus, the construct valid portion of the total team variance is the part that is due to between-member differences in the average perceptions of climate or LEBs, not the between-item proportion that is due to measurement error (i.e., if the scale items measuring a construct were all perfectly reliable, there would be no variability between items for each member). To distinguish the effects of the valid portion from the effects of the invalid portion, we created (1) an index of team consensus (Equation 2) by taking the square root of the between-member variance (Equation 1) to normalize its distribution and reversing its sign so that high scores would represent consensus rather than a lack of consensus and (2) an index of between-item variance (Equation 4) by using the reverse of the standard deviation of the between-item variance (Equation 3). It was important to separate these two sources of variation because if our measure of team consensus captures measurement error, rather than between-member differences, the findings could be interpreted as showing that unreliability in the teams’ ratings attenuates the effects of the mean level variables (i.e., climate quality and LEBs) on team outcomes. (Note that in Equation 1, we use $N-1$ in the denominator rather than N to be consistent with the ANOVA model, though this does not change the results.)
To rule out this possibility, we (1) created terms that capture the interaction of the between-item variance index and the mean-level predictors (i.e., climate quality and LEBs) and (2) added the between-item indexes and their interactions to the hypothesized model as control variables. If between-item variance (rather than between-member variance) was responsible for the effects reported in Table 2, the addition of these control variables should cause the observed effects to become nonsignificant. However, none of the main effects or interactions involving the between-item variance indexes was significant, and more important, all the hypothesized effects remained significant. This shows that the observed pattern of effects cannot be due to differences in the (un)reliability of the construct measures across teams.

To further corroborate this conclusion, we tested whether low-consensus teams include individuals who exhibit a consistent tendency to display low reliability in all their responses, regardless of whether the scale was measured at the team or individual level. Ruling out this possibility requires measuring a variable that is not in our model but is at the individual level (rather than at the team level), calculating the reliability of this measure for each team, and then examining the correlation between this team-level reliability index for an individual-level construct and the team-level consensus variables for team-level constructs (LEBs, interpersonal climate). Low correlations between this reliability index and the consensus variables would mean that teams do not include individuals who exhibit unreliability in all their responses. In our case, we calculated the reliability of an “openness to change” scale (an individual trait) separately for each team and then correlated that reliability index with the team consensus variables. The results showed that the correlations were not significant (for interpersonal climate and LEB consensus variables, respectively, ρ = .01 and −.10). Because there is no general tendency for low-consensus teams to respond in an unreliable manner to other types of measures (i.e., openness to change), we are more confident that this competing explanation can be dismissed.

**GENERAL DISCUSSION**

The findings indicate that LEB and the quality of the interpersonal climate of the team can enhance the performance of sales teams by increasing the team’s sense of potency, which leads to greater levels of effort and helping behavior. In addition, the impact of LEB on team performance is stronger when team members agree about the extent to which they have been empowered by their leader and about the quality of the interpersonal climate. Taken together, the hypothesized effects accounted for 29% of the variance in team potency, 53% of the variance in team helping behavior, 10% of the variance in team effort, and 9% of the variance in sales performance. This is fairly impressive, especially because team effort and performance were measured objectively.

Panel B of Figure 2 shows that when team members have a strong consensus about the extent to which they have been given autonomy and decision-making authority, LEB has a strong positive effect on the team’s belief that it can achieve its objectives. However, when team members disagree on the extent to which they have been empowered, the impact of LEBs is far less. A noteworthy aspect of this pattern of findings is that the teams with the least confidence in their ability to achieve their objectives are the ones that have not been empowered by their leader (i.e., low LEBs) and are certain of it (i.e., high LEBs consensus). Teams that have not been empowered by their leader but are uncertain about it actually have a greater sense of potency. In retrospect, this makes sense because teams that are certain that they have not been empowered by their leader are bound to feel less potent than teams that are less certain of this.

Panel A of Figure 2 shows a similar interaction effect in the sense that when team members agree about how to handle intrateam conflicts, manage their affect, and engage in peer-to-peer motivation, they are better able to capitalize on the autonomy and decision-making authority delegated to them by their leader. Again, a noteworthy aspect of this pattern of findings is that the teams with the least confidence in their ability to achieve their objectives are the ones that have not been empowered by their leader (i.e., low LEBs) but are certain of how to handle conflict on the team (i.e., high interpersonal climate consensus). It is as if team members agree about how to motivate each other and handle any conflicts that arise, but they know that they have not been given the autonomy and authority to do so by their leader.

We did not find support for our hypothesis (H2) that a team’s consensus about its interpersonal climate would enhance the effect of interpersonal climate quality on the team’s sense of potency. Although the reason for this is not obvious, this lack of support does not appear to be due to a lack of variability across the teams in (1) the mean level of interpersonal climate quality or (2) the degree of consensus about the team’s interpersonal climate. This is supported by the observation that interpersonal climate has direct effects on team potency, helping, and performance and that interpersonal climate consensus moderates the impact of LEBs on potency. Apparently, when a team’s ability to handle conflicts, manage affect, and motivate each other is low, being certain of this is no worse than being uncertain of this.

Nevertheless, the general pattern of findings depicted in Panels A and B of Figure 2 indicates that team consensus helps enhance potency when teams have been empowered by their leader but is detrimental when they have not been empowered. From a theoretical perspective, this pattern of effects validates the importance of team consensus as a regulator of the impact of effective sales team functioning. When sales team members perceive their environment in the same way, it can strengthen the impact of factors that lead to sales success, but when team members differ in their perceptions, it can lead to interpersonal conflicts, communication inefficiencies, wasted effort, and other process losses that diminish the likelihood that the team will be successful. Consequently, researchers would be wise to pay more attention to the role of team consensus in determining sales team performance.

Another important aspect of the findings is that they help explain the mechanisms through which LEB and interpersonal climate quality influence team performance. More specifically, the findings show that leader empowerment influences team performance because it enhances the team’s sense of potency, which causes the team to expend more effort and to help each other achieve the team’s objectives. Thus, the findings confirm Perry, Pearce, and Sims’s (1999) speculation that LEB encourages the team to take responsi-
bility for its own performance and to work together to achieve common goals.

The reasons interpersonal climate quality is positively related to team performance are more complicated. We found that interpersonal climate quality has a direct positive effect on sales team performance and an indirect positive effect caused by increases in the team’s belief that it can achieve its objectives (i.e., team potency), its willingness to expend effort to achieve those objectives, and the extent to which team members help each other. From the standardized estimates, it appears that approximately 60% of the total effect of interpersonal climate quality on team performance was direct, and the remaining 40% was mediated by potency, helping, and effort. This suggests that though the mediators included in our study account for a sizable proportion of the effect of interpersonal climate quality on team performance, there is still a substantial proportion that can influence team performance through other mechanisms. For example, it is possible that teams with a high-quality interpersonal climate have higher levels of performance because they are better able to adapt their sales behaviors to the varying demands of the sales situation by coping with the conflict, anxiety, or frustration that can sometimes arise from adaptive selling behavior. Alternatively, it is possible that increases in the quality of the interpersonal climate on a team may increase commitment to the team and result in better sales performance.

Managerial Implications

This study has several important managerial implications. First, the study demonstrates that interpersonal climate consensus plays a critical role in determining whether the benefits of a leader’s empowerment behavior are realized. Indeed, Waterson and colleagues (1999) find that 54% of the companies responding reported little improvement or only moderate gains from their empowerment programs. One reason for this may be that if team members are not able to motivate each other and manage their conflicts, empowering them is not likely to pay dividends—and may well be counterproductive. This suggests that managers need to focus greater effort on fostering a positive interpersonal climate on their sales teams. Marks, Mathieu, and Zaccaro (2001) suggest that managers can do this by encouraging team members to (1) identify the parameters of conflict, (2) develop norms for cooperative rather than competitive approaches to conflict resolution, (3) recognize the importance of providing feedback to teammates on team success, and (4) use team-building interventions to develop effective means of regulating team member emotions.

Second, we found that empowerment increases team potency, effort, helping, and sales performance, which suggests that sales organizations should consider how they can encourage managers to engage in empowerment behaviors. They can do this by increasing awareness of the forms of empowerment behavior, training managers on how to exhibit the behaviors, and reinforcing them when they do so. In addition, in view of the moderating effects of a team’s consensus about its empowerment, it is important for managers to exhibit these behaviors consistently in the presence of all sales team members and emphasize the authority and autonomy delegated to the team. To the extent that these efforts are successful, the findings suggest that sales team performance will improve.

Finally, the LEBs × LEBs consensus interaction effect (Figure 2, Panel B) has two implications for managers. First, this interaction implies that if a manager wants to empower a sales team to increase its sense of potency (and, ultimately, its performance), he or she must try to increase the team’s consensus about its own empowerment. At a minimum, this means that managers must be more consistent in their empowerment behavior and should avoid treating team members differently. Research on the vertical dyadic linkage model of leadership (Gaertner and Uhl-Bien 1995) demonstrates that managers frequently fail to do this. However, a team’s lack of consensus about its empowerment could also be due to the manager’s infrequent (or unequal) contact with sales team members. This would not be surprising given the recent trends toward larger spans of control and virtual offices in many companies (Perry, Pearce, and Sims 1999). Second, something as simple as instituting a more frequent and consistent meeting schedule with sales teams could help enhance team consensus. However, it may not always be functional for managers to foster consensus about the extent to which they have empowered the team. This interaction showed that when the mean level of leader empowerment was low, the team was worse off if it had a strong consensus about this. Thus, managers should strive to increase consensus only if they truly want to empower their sales.

Future Research Implications

A priority for research should be to examine whether perceptions of other team processes have mean-level and/or moderating effects on sales performance similar to those we observed for interpersonal climate in this study. For example, sales team members might have different goals and/or different ideas about the best strategy for attaining the team’s goals. A lack of consensus about these things may hurt the team’s interpersonal climate by generating conflict, neutralize the impact of leader empowerment because team members disagree on how to direct their efforts, and have a negative impact on helping behavior. Research should also examine whether the findings generalize to other types of teams (e.g., new product, cross-functional, virtual). Finally, research should test whether the effects generalize beyond financial measures of team performance to customer measures (e.g., satisfaction, retention), measures of business process improvements (e.g., best practices, innovativeness, service quality), and employee criteria (e.g., team satisfaction, turnover, job involvement).

In conclusion, to our knowledge, this study is the first empirical test of the moderating effects of team consensus on sales team performance. This is important because researchers have failed to recognize the theoretical importance of variability in team members’ perceptions and its effect on sales team performance. In addition, we introduce the concept of interpersonal climate to the sales literature and show that LEB yields its greatest benefits when teams have a solid interpersonal foundation on which to exploit the benefits of enhanced autonomy and responsibility. We believe that further investigations of the drivers of sales team effectiveness, especially various types of team consensus, are clearly warranted.