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**We are all in this – together? How Performance Management Systems  
shape Sales Agents' Subjectivity**

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## **Introduction**

Performance Management Systems (PMS), involving practices, mechanisms, processes, and networks utilized by executives and employees with the overall purpose to manage performance and facilitating the delivery of organizational goals by influencing people's behavior (Ferreira & Otley, 2009). These systems integrate various forms of formal and informal control, including performance planning, measures, targets, incentives, and informal dynamics such as peer pressure (Schleicher et al., 2018), to fulfil their strategic objectives (Ayers, 2013). Usually, this purpose is to increase employees' productivity with the aim to maximize organizational profits. As a result, many organizational PMS have become tightly interwoven with forms of neoliberal oriented governance that aim to control individual actions within a predefined (socio-)economic framework (Cooper, 2015; Weiskopf & Munro, 2012). They have incorporated measurement techniques and practice of performance evaluation that promote an economic or enterprising mode of action as idealized notion of the self. This idealized notion of the self is often referred to as the "entrepreneurial self" (Bröckling, 2015; Du Gay, 1996).

While much of the managerial literature focuses on ways to optimize the design and mechanisms of PMS to improve their efficiency of managing people, this paper is interested in exploring how these systems shape the conditions for individuals and their subjectivity in organizational contexts.

In those systems, subjects are objectified in many ways. Performance Management Systems (re)shape processes of knowledge production and largely determine whether an individual's performance is deemed to be (un)satisfactory, as they privilege the emergence of some version of reality and marginalize or exclude. They are categorized, ranked, and made visible in (digital) performance reports, rankings, or award ceremonies through which they can be described, analyzed, and controlled in line with the organizational logic. Thus, shape the conditions of individuals to develop and form their own self and identity, as they strongly contribute how individual see themselves and are seen by others (Roberts, 2009; Townley 1996).

Yet, while these practices and (technological) tools are envisioned to effectively shape and condition employees' conduct, they do not translate smoothly and coherently into employees' actual self-interpretations and behaviors.

Struggles over the legitimacy of the control system inevitably prevail, because individuals experience and perceive the meaning of (imposed) performance management differently when they enact the PMS (Schildt et al., 2020; Weick, 1995). Subjects can oscillate between reinforcing or refusing social norms and expectations of subjectivity and engage in deliberate, more or less reflective practices of self-formation to problematize, resist, or contest pre-defined expectations or categories of “successful” performance (Fleming, 2022).

It is thus an important task to better understand the workings of PMS in contemporary organizational settings and to explore the regularizing effects of practices that make certain aspects of performance visible. Therefore, I propose to inquire the subsequent research question: *“How does the interplay between elements and mechanisms of control within PMS influence sales agents’ subjectivity?”*

To investigate this question, an empirical study of the PMS in the regional sales departments of an internationally operating insurance company based in Europe, employing a single case study research design (Yin, 2018) is conducted. The selected case serves as a representative example (Seawright & Gerring, 2008) of PMS designed to maximize economic profits by shaping sales agents' behavior and promoting an entrepreneurial mode of selfhood (Bröckling, 2015). Within insurances' sales departments, PMS obtain a pivotal role for organizing largely independently and spatially separately working sales agents through highly individualized processes of performance measurement and evaluation. This provides a fruitful empirical setting to inquire the shape and interplay of contemporary PMS, the distinct meaning structures that are (re)produced when employees enact the system, and their consequences for shaping individuals' conduct.

The remainder of this paper is structured as follows. First, I elaborate on the study's perspective on organizational performance management as a system. Second, I highlight the regularizing effects of performance management practices and their associated technological tools. Third, I describe the methods used in this study and the empirical case. Fourth, I present and discuss the findings, demonstrating how sales agents enact the organizational PMS, engage in various practices that enable them to oscillate between reinforcing and resisting the social norms of subjectivity reproduced through these systems.

## **Organizational performance management as a system**

Regardless of whether scholars use the term management control system (MCS) (i.e., Ferreira & Otley, 2009), sales management control system (SMCS) (i.e., Malek et al., 2018), or performance management system (PMS) (i.e., Pfister et al., 2023), they all converge on the same viewpoint. A systematic approach is required for understanding how their different forms of control function, interact, and are perceived within organizations.

Regarding organizational performance management as a system refers to the perspective that it pertains an array of heterogeneous set of elements, including practices, mechanisms, processes, networks, and other forms of control that interrelate and “co-function”. This array is adjusted on an ongoing basis, often with the aim of improving deficient appearing control mechanisms, aligning disparate subsystems, or responding to new internal or external pressures (Otley, 2016). Thus, it constantly evolves in a continuous process of becoming (Ferreira & Otley, 2009) and varies from organization to organization (Franco-Santos & Otley, 2018). The concept of system also implies that a redefinition of the unit of analysis is necessary. Not a single practice or a (technological) tool as an independent unit needs to be accounted for but the relational and distributed elements that in their joint working effect certain outcomes.

Although performance management practices entail technical systems (i.e. a digital platform), the use of the term “system” in connection with the word “performance management” is not to be interpreted as a “technical” or “mechanistic” system but a term indicating different informal and formal forms control interrelate (Pfister et al., 2023).

Its formal elements (i.e. measures, targets, rankings) refer to structures, processes, and procedures that are explicitly developed to guide organizational members in their everyday rationalization of their behavior to perform tasks consistent with the organization’s performance management strategy, including their decision-making (i.e. Otley, 1999). According to Schleicher et al. (2018), PMS consist at a minimum of four formal elements. First, a planning element, which outlines the goals aligned with the organization's strategy and defines the expected performance. Second, a measurement element, which operationalizes performance through specific metrics. Third, a review element, which involves the evaluation and feedback of the performance metrics. Fourth, a reward element tied to performance, which usually entails financial and non-financial incentives (e.g. payments, promotion, praise) that are attached to whether and to what extent the targets are achieved. Those formal elements are rather tangible

objects that can be controlled and easily adjusted. In combination they tend to have strong behavioural implications (Merchant and Van der Stede, 2017).

In contrast, informal elements (i.e. social recognition) are less tangible social phenomena that are more difficult to track or change (Kreutzer et al. 2016). They concern the ways how the organization establishes prosocial behavior to manage people and their performance. These processes are often unwritten, implicit, and emerge over time, and reflect performance management related processes themselves (i.e. informal feedback), as well as contextual factors that affects them (i.e. political climate) (Schleicher et al., 2018). They operate in the social environment of the organization (i.e. values, norms, objectives) and are often realized by workers themselves. Depending on who is initiating the control, informal forms of control can be considered to comprise three types (Jaworski, 1988). First, self-control, which describes the personal setting and management of work-related objectives. Second, peer control, including the group-level values, norms, and objectives, as well as collective monitoring and feedback. Third, cultural control emphasizing on the organization-level values and norms that exert influence over individual decisions and actions.

Formal and informal elements and respective forms of control are two sides of the same coin and mutually influence one another in many ways during performance management processes. For example, informal elements such as the community feeling can serve to mitigate or exacerbate the effects of formal elements like psychological pressure to achieve sales targets.

Altogether, PMS are fundamentally social as they facilitate the production and reproduction of values and norms within an organization (i.e. culture) according to which the work ethos is shaped and constantly in flux (Ahrens, 2017). By shaping the underlying meaning structures within organizations, they contribute to the creation of social order as well as cohesion independently of the extent of formalization in their design and use (Kraus et al., 2017). As such, the distinction between formal and informal elements can be misleading, creating the impression that “social” is only related to informal forms of control.

### **Regularizing effects of performance measurement**

Even that practices and devices for performance management may be seen by some as neutral proxies for the observation of organizational and individual work through external assessment and evaluation of various forms, they have usually more wide-ranging effects (Espeland &

Sauder, 2007). They facilitate processes of calculation and normalization with ordering effects that shape objects, subjects, and social relations in specific ways.

Practices and technologies used in PMS are means for “making up people” (Hacking, 2007) as they produce a necessarily incomplete, (numeric) representation of sales agents. These representations extend beyond the display of performance metrics but shape perceptions of the individuals themselves as they create looping effects on social behaviour (Roberts, 2009). Sales agents are imagined, evaluated and judged based on the disclosed information by themselves and others. Guided by shared, internalized norms, and (numeric) expectations and convictions regarding aspirational deemed behaviour that prevail in the organization, sales agents are attributed with a social identity and presented an image of themselves, influencing how they think about themselves and imagine what they could be or become (Costas & Grey, 2014). As such, this represented image affects individuals’ subjectivity as it may become part of their self-knowledge and self-understanding (Townley, 1996), thus affecting their subjectivity. This is a particular powerful process that shapes the field of possible actions yet does not fully determine it.

By selectively making certain aspects of employees’ actions and behaviors (in)visible, they shape processes of seeing and observation, affecting both self-perception and external visibility. With that, they inevitably shape how employees experience themselves and act (Weick, 1995). The awareness of being observed, evaluated, and judged (as an unsuccessful entrepreneur) together with the desire for recognition (as a successful entrepreneur) inevitably generates effects of subjectification (Fleming & Spicer, 2014). This even happens in remote contexts, as technology ensures visibility at a distance (Sewell & Taskin, 2015).

Mobilising the normative pressure of comparison, these (technological) tools and practices facilitate intervention, competition, transformation, compliance, and conformity to organisational norms and standards. This facilitates commensuration (Espeland, 2013), remote decision-making, and interventions based on a decontextualized “facts” that appear objective and unchallengeable, beyond political bias or mere opinion. This shift transforms mere visibility into a norm, reinforced by incentives and sanctions, against which individuals are judged and encouraged to judge themselves. The regularizing effects of practices and technologies of performance management are thus socially constructed and concern the discursive capacities of disclosed (in)visibilities to influence the communicative processes within an organisation

through which human subjects are constituted, and meaning is created, normalised, and changed (Clegg & Haugaard, 2009).

For those communicative processes visibility is crucial, if not pre-conditional, serving as foundational element for connectivity (Treem & Leonardi, 2020). As Brighenti (2010) emphasises, visibility is critical in establishing relationships of observation and recognition and essential for defining subject positions as “one can only become a subject *within* relationships” (p. 39). This connectivity is (dis)enabled, though not exclusively, through the practices and (technological) tools incorporated in the PMS. They make otherwise invisible sales agents’ behaviour visible to each other and with that discussable. It is only when employees can see each other’s behaviour through disclosed visibilities that communicative processes of discussing (shared) norms, values, and aspirational conduct can take place.

In this paper, human subjectivity is perceived as characterized by a certain openness to the world, allowing individuals to respond thoughtfully, and potentially resist, organizational rules, norms, and prescriptions that attempt to dictate who they should or should not become. However, this openness also exposes individuals to organizational power, which can constrain them by imposing a specific identity (Berger & Luckmann, 1967; Willmott, 2011).

## **Methods and empirical context**

### *Research design*

Due to the lack of empirical in-depth examination of the complexity of PMS within an organizational setting, involving “real people and real PMS” (Brown et al., 2019), I chose an open-ended, qualitative research design to capture the multifaceted nature of the organization’s PMS. By employing a single case study approach (Yin, 2018), I aimed to attain an in-depth comprehension of the organization’s PMS and its respective effects it has on how employees perceive and conduct themselves. Case study methods are particularly well-suited for delving into contemporary phenomenon within their real-life context, especially when the boundaries between the phenomenon and context are unclear (Yin, 2018). This aspect is crucial to consider, as the rise of neoliberal thinking and thought is a much large phenomenon and extend beyond the scope of this study (Bröckling, 2015). To inquire the complexity of this cases PMS and its effects on employees’ processes of subjectivation, I drew inspiration from the methodological frameworks of recent scholarly work such as Pfister et al., (2023) and Schleicher et al., (2018).

The pragmatic value of those frameworks is that they provide some guidance to consider the relative importance of the system's components, their interactions and mutual influence by offering an extensive but not exhaustive overview of management control practices. Thus, they support the identification of the most important elements and mechanisms for understanding the functioning of the PMS investigated in this study while they offered a broad perspective in the analysis.

### *Case selection*

I chose to investigate the regional sales department of an insurance company – given the pseudonym Consortium – primarily due to my prior experience as a sales agent in the insurance industry for one and a half years. This background provided me with prior insights into the general design and use of PMS in sales departments. Building on this knowledge, I decided to examine the PMS of Consortium to integrate my practical experience into the research process, assuming that it would help me capture the complexities and nuances of individual roles and map the interactions among system components.

Most sales agents in the insurance industry work as brokers, selling products from various insurers, either as self-employed individuals or within smaller insurance brokerage firms. Consequently, they tend to be less closely affiliated with any one organization. In contrast, many large insurance companies in Europe including Consortium, employ representatives, who are legally bound to the organization and sell products exclusively from one company. This closer affiliation with the organization provides an opportunity to examine more distinctively the reciprocal influences of a specific organization's PMS on the subjectivity of its sales agents. Moreover, as one of Europe's largest insurers with thousands of sales agents, Consortium is a relevant case to explore how organizational PMS shape individuals' subjectivity.

### *Description of the case – the PMS of Consortium*

The following case description presents a summary of the most significant formal control practices and their (technological) tools in regional sales departments of Consortium's PMS, offered in a pragmatic manner. For analytical purposes some aspects of the organization's PMS are necessarily neglected as it extends beyond the regional sales department and spans the entire organization.

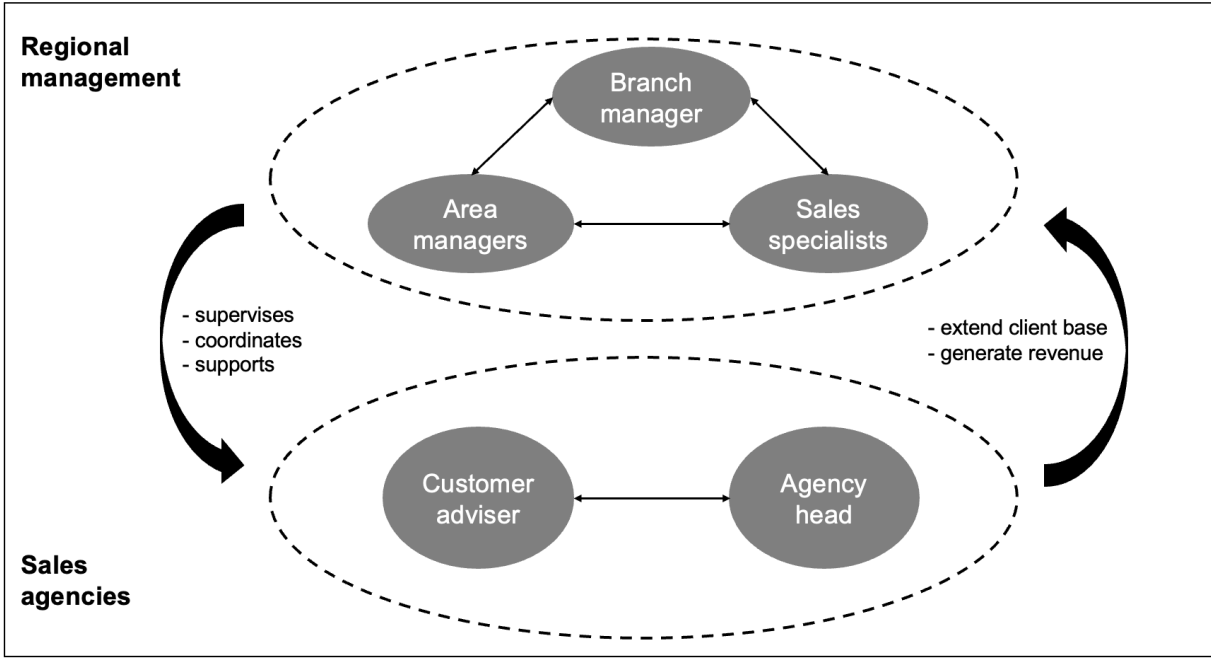


The sales department investigated in this study is in the German sub-division of an internationally operating insurance company – given the pseudonym Consortium – based in Europe with millions of customers and thousands of sales agents. Consortium’s main business is insurances (i.e. car, home, health) and financial products (i.e. pension funds, mortgage loan), followed by miscellaneous services (i.e. roadside assistance, damage regulation, financial advice). The sales department main activity is to manage existing customer relationships and acquire new ones through operating locally based sales agencies. This localized, in-person customer service is a key strategy of Consortium, setting it apart exemplarily from competitors that offer exclusively online services. This approach aligns with the organization’s mission to deliver personalized, needs-based customer consultations.

These locally based sales agencies are owned and operated by largely independently working, mostly self-employed sales agents, so-called “tied representatives” (German: “Ausschließlichkeitsvertreter”), mediating exclusively the business of Consortium to (potential) customers. These sales agents are contractual bounded to the organization and function as the “representatives” of the company’s interests, which is largely liable for its agents’ actions. Although the sales agencies are legally independent entities owned by agency heads, the customer base legally belongs to Consortium. Typically, these agencies consist of one and ten members. As the legal owners, agency heads independently manage personnel decisions, such as hiring customer advisors or administrative assistants, who are employed and paid by the agency.

The sales department is organized into regional divisions, which are further subdivided into local branches. Each branch is overseen by a regional management team employed by Consortium, responsible for managing the performance of the division. These teams consist of one branch manager, along with multiple sales specialists (i.e. for health insurances) and area managers that are responsible for supervising (i.e. performance measurement), coordinating (i.e. goalsetting), and supporting (i.e. providing skill training or discount funding) the sales agencies work and thus, the branches performances. As the performance of each branch is directly tied to that of its sales agencies, there is a relationship of mutual dependence between the regional management and the sales agencies. While the regional management relies on the agencies to extend the branch’s customer base and generate revenue, the sales agencies, in turn, depend on the regional management for supportive resources.

Figure I. illustration of the regional sales structures



At the beginning of each year, the regional management negotiates and defines with the agency heads a *contractual business plan* for each sales agency individually. This contract defines performance goals and the corresponding financial incentives, such as payments for meeting business targets like sales growth or client base expansion as part of Consortium’s *reward system*. However, although it may seem that agency heads collaborate with regional management to set these goals, their ability to influence the contract terms is limited. This is partly because Consortium’s reward system operates beyond the control of the regional management.

To assess whether and to what extent sales agencies achieve their targets, the regional management uses *metrics* (i.e. revenue growth, cancellation rate), which are continuously monitored via Consortium’s *self-developed IT platform*. Through this platform, the regional management and individual sales agents can check in real-time on their personal *performance reports*, including information on customer base trends, premium payments, cancellation rations, or product sales. The most significant figure in these reports is the appraisal value, which indicates the agency’s overall contribution to Consortium’s profits.

Selling products with higher profitability, such as endowment insurances, yield higher appraisal values compared to less profitable ones like private liability insurances. Notably, only increases in premium payments, whether through new sales or contract adjustments, contribute to the appraisal value.

Based on the performance reports, the regional management generates and regularly discloses *rankings* that sort insurance agents by their appraisal values and sales numbers. A *sales agency ranking* is sent monthly to all agency heads in the region, showing only the accumulated appraisal value and total sales, without considering factors such as the number of agency heads, customer advisors, or customers within the agency. A *customer advisor ranking*, released infrequently, highlights the appraisal value and total sales of top-performing advisors. Additionally, *sales competition rankings* are distributed periodically to both agency heads and customer advisors throughout the year, depending on the specific *sales competition* (i.e., "winner's club", annual closing competition). These rankings track performance against defined competition targets (i.e., selling a specific number of car insurance policies between September and December) and offer a mix of monetary rewards and non-financial incentives, including trips, as part of the overall reward system. Every January, the regional management organizes an annual kick-off meeting, which includes an *award ceremony* to celebrate "successful" sales agents who have met their yearly targets or competition objectives. These agents are brought on stage to receive trophies, and a short laudation from the branch manager. Shortly after this event, the new cycle begins, and annual performance goals are defined for the sales agents.

### *Data collection*

In order to illustrate how the PMS of Consortiums creates and affects individuals' processes of subjectivity, I have collected heterogeneous material (see Table I). Initially, I collected publicly available documents from the organization's website, YouTube, Instagram, and LinkedIn channels. I understand this data as communicative devices that provide insights about the norms, values, and aspirational behavior that are promoted by the insurance company. Also, I included posts from Kununu to examine sales agents' experiences with the working conditions of the organization's PMS, and their specific reasons why they would recommend (not) to work for the company. This data served as a starting point to inquire potential discrepancies between the promoted norms, values, and aspirational behavior and actual experiences with the organization's PMS working conditions. Subsequently, I conducted semi-structured interviews with current and former sales agents to gain in-depth insights about their subjective experiences with the PMS. The interviews spanned across various job roles to capture multiple perspectives on the design and operation of the system. Additionally, to mitigate the risks associated with

survival bias, interviews with former agents were also included, providing insight into the reasons behind their departure.

**Table I.** Overview of the research material.

<b>Data sources</b>	<b>Channel/Interviewees' Position</b>	<b>No. of entries</b>
<b>Documents</b>	Organization's Website	41
	YouTube	18
	LinkedIn	22
	Kununu	43
	Instagram	29
<b>Interviews</b>		14 (ø60,25 mins)
	Agency owner	7
	(former) Customer adviser	5
	Sales specialist	1
	Product manager	1

### *Data analysis*

Employing a pragmatist perspective, I utilize abductive coding as my strategic analytical method, suitable for case studies in business research (Dubois & Gadde, 2002). My abductive stance draws on a pragmatist perspective that privileges how work is actually done and involves a continuous and iterative dialogue between empirical material, academic theories, and pre-understandings. I concentrated my empirical analysis on three matters of behavior, referring to any organizational setting where somebody seeks to control the behavior of another, that is, aiming to manage their performance (Cooper, 2015; Merchant and Van der Stede, 2017). First, the processes through which subjects become objectified through the workings of the PMS.

Second, the convergent, divergent, and ambiguous meaning structures between employees which are produced and reproduced through their enactment of the PMS. Third, individuals' processes of subjectivation (Fleming & Spicer, 2014), reflecting in their practices of self-examination and self-regulation (Sandberg & Catlaw, 2018).

Initially, I crafted a description of the case. This description contains background information about the company, illustrating links between performance management practices and attempts to make employees adopt entrepreneurial behaviour (Yin, 2018). Next, I inquired the value statements made by Consortium on its website and social media channels, providing insights about which behaviour is deemed (un)favourable by the organization. In addition to promoting entrepreneurial behavior (Bröckling, 2015), such as self-responsibility, risk-taking, and identifying and exploiting (business) opportunities, a specific narrative emerged, which I termed "the success formula." This formula suggests that working hard leads to productivity, which results in both material and immaterial rewards, ultimately culminating in "success".

During interviews, I mapped out the design and use of the PMS to better understand how individuals are objectified through performance management practices and (technological) tools. Interviewees were asked to describe the structure of the sales department, performance management objectives, key metrics used to assess their work, the timing of rankings disclosures, and how these practices and tools function together. Recognizing that individual context is crucial in PMS research (Schleicher et al., 2018), I also asked participants to briefly describe their career history and explain their reasons for joining the company.

Interviewees were asked to share their individual perceptions of the PMS, its relevance to them, and how different elements influence their work practices. Subsequently, I contrasted their personal perspectives with the organization's value statements to assess alignment with the promoted "success formula" and identify how entrepreneurial behaviours are (re)produced. Special attention was paid to when and how convergent, divergent, and ambiguous meaning structures emerged. Based on their individual perspectives, interviewees were also asked how they collectively perceive and make sense of the PMS, providing insights into political struggles over the (il)legitimacy of the PMS within the organization.

### **Positionality**

This section will be added in a later version of the paper.

### **Insights from the case**

Overall, I summarized the range of sales agents' perspectives on the PMS working, their respective associated subjective meaning and resulting practices of self-examination and self-

regulation according to the control mechanisms described in the case description. Importantly, these three themes are intended to broadly capture the diversity of underlying meaning structures about the workings of the PMS. As discussed earlier, individuals can oscillate between reinforcing and resisting social norms of subjectivity through their enactment of the different co-working elements of the system. Thus, these themes are not distinct categories but rather serve to illustrate how the systems jointly shape individual's behaviour, the multiplicity of meaning sales agents (re)produce, and the potential effects this can have for their conduct and subjectivity.

### *Being an entrepreneurial business partner – contractual business plans & reward system*

Both agency heads and customer advisers frequently described themselves as independent entrepreneurs, who partner with Consortium, to which they hold certain contractual obligations. This relationship was characterized by most as one of mutual dependence at eye level. At the same time, due to their contractual partnership and direct compensation through the company, sales agents felt less bound by the directives of the regional management. Regional management, in turn, was perceived more as a coordinating and (tightly) controlling entity, seeking to influence agents' sales choices to achieve its own objectives, such as improving branch ranking, an extended element of the organization's PMS.

"We are what is called a tied-representatives organization, meaning we have only one contract partner, and as a result, we are very, very closely intertwined with this partner. (...) I'm not particularly affiliated with the regional management. The point of contact for our contract partner is the Sales AG (subdivision), which handles the controlling and management of sales. I don't feel connected to that, but I do feel very connected to the Consortium brand." (Interviewee #6)

Whether they own their sales agency or work for one, sales agents generally view themselves as running their own business, selling Consortium's products under their own name and maintaining direct relationships with customers. This sense of authenticity and personal investment in the brand creates for many a close connection to Consortium, making most agents unwilling to consider switching to another organization.

However, some sales agents did not only feel less affiliated with the regional management but also with Consortium. They identified "100% with the sales agency" (Interviewee #4), seeing themselves as intermediaries between the insurance company and "their" customers, rather than

as part of the organization. Even so, all interviewees described their work as highly individualized endeavour that ultimately aims to generate profits.

"(...) there is a goal for the company, and I see myself as an entrepreneur. And I set the goal for the company. And that means making money, being liquid, and generating revenue. (...) So, I measure my success by different metrics than the company does. (...) If that is achieved, then the company's goal is met (...). So, these are my business goals, which differ from the goals of Consortium." (Interviewee #6)

Due to being their own business which profits is depending on how much profit they generate; sales agents view themselves to be self-responsible for their earnings. Here, the contractual relationship was described to provide them with the “flexibility” or “freedom” regarding their decision-making, such as “spending” time to give an interview, or adjusting their business goal. However, some agents felt restricted by contractual obligations, describing them as “*insufficiently entrepreneurial*” (interviewee #14), particularly the limitation of selling only one company's products. This led some agents to leave the organization to start their own ventures.

While some few sales agents align their business strategy to fulfil the targets of the rewards system's incentives the vast majority highlighted the importance to pursue a long-term strategy, by providing needs-based consultation to customers for sustainable relationships with them. They expressed concern that focusing too narrowly on incentive goals could result in selling products customers didn't need, compromising service quality. This perspective reflects the broader work ethos of most sales agents, who prioritize providing high-quality consultations and maintaining strong customer relationships.

" I don't advise toward anything in particular, but rather, I genuinely look at: okay, what do the customers want, what do the customers have? And then I just see during the conversation what comes out of it. (...) That's also what builds up our client base, which I'd say is the most important for our portfolio and the ongoing commissions from it." (Interviewee #1)

The regional management's reward system was described as being “useless” and criticized for being tailored primarily to meet the branch's objectives. Sales targets were perceived as “*randomly adjusted*” (interviewee #4), with significant changes each year. Furthermore, agents highlighted the challenge of fulfilling the numerous, constantly rising objectives, calling it “*sheer impossible*” (interviewee #12) to meet all of them. Also, the financial rewards from the incentives were deemed disproportionately low when compared to the agencies' yearly revenue.

Sales agents tend to prioritize financial over non-financial incentives in the reward system. In some cases, agents valued monetary compensation to the extent that they monetized non-financial incentives, such as by selling an expensive watch given for achieving performance goals. Non-financial rewards, such as trips and awards, were considered by the majority of the interviewees as the byproduct of hard work, often referred to as the “*cherry on top*” (Interviewee #10) - a nice bonus but not highly motivating.

Although self-responsibility for income fostered a sense of insecurity, it was also perceived it as a source of opportunity. A substantial number of sales agents at Consortium are lateral entrants, often coming from diverse fields with lower levels of formal qualifications, which makes it challenging to earn an income comparable to that of agency heads. However, because of the reward system is profit-based, nearly anyone can become well-earning sales agent. These individuals saw the system as providing them a valuable opportunity to go from “nothing to something”, starting as customer advisers and potentially advancing to the position of an agency head.

*Being an entrepreneur the realm of numbers - metrics, self-developed IT-system, and personal performance reports*

The system was referred to as a “*numbers game*” (interviewee #3) with rules that are “*hard but fair*” (Interviewee #4) and viewed as a given rather than something created. As one agent stated, “*It is just how things run in sales, it is part of our job*” (interviewee #1). Targets, i.e. measured through metrics, are broken down into yearly, monthly, weekly, daily, and even hourly goals, with outcomes calculated in advance. Similar to the funnel principle, the more effort one puts in, the more they get out. While the system was viewed as neither inherently good nor bad, it was acknowledged as stressful, reflected in sales agents' workloads, which typically range from 40 to 60 hours per week, with some working even more regularly. One suggested solution to cope with the workload: “*stop thinking and just do*” (interviewee #3).

Many interviewees characterized the sales agent role as a “*day and night*” job (interviewee #13), requiring constant entrepreneurial thinking and behaviour, that become integrated into their daily actions. Hence, the lines between personal and professional time often fade. One interviewee described it as “*being visible as a sales agent through opening the shopping window*” (interviewee # 11), exemplified by wearing branded clothing or engaging in social



activities, such as joining a golf club, to grow their personal network and connect with potential clients.

At face value, the system's metrics, self-developed IT-system, and personal performance reports were regarded as "*accurate*" "*objective*", and "*transparent*" representations of individual performance (i.e. interviewee #10). Consequently, while some agents feel immense pressure to meet targets, others feel empowered by their numerical performance to become the entrepreneurs they aspire to be. Yet, some agents who initially lauded the "accuracy," "objectivity," and "transparency" of the PMS later raised doubts, questioning the unit of measurement or its purpose (interviewee #12). For example, although the number of products sold was seen as a reliable indicator of hard work, profit-based appraisal values were considered less transparent. They highlighted that performance can be influenced by external factors or what they called "*circumstances*" (interviewee #1), such as the agency's location, its team constellation, customer base, or sheer luck (Interviewee #10).

Regardless of whether "lower" or "higher" performing sales agents were interviewed, all agreed that each and every one is primarily self-responsible for their own performance. According to them, one must be able to adapt to the system's workings; otherwise: "*you do not belong in sales*" (interviewee #4). This view solidified with the length of time spent in the company. While the rules and conditions of the PMS were initially seen as tough by new members, over time they increasingly accepted the working conditions. One interviewee reflected on his situation, working in a sales agency where the agency head supports him in reaching his sales goals. Without this support, he indicated that he probably would have left the sales department. Others had already left. Many now perceive the system as pushing them to rise to the challenges so than one can "*really grow and get a handle on everything*" (interviewee #4).

To support personal growth, many viewed metrics, the organization's self-developed IT system, and personal performance reports as tools to help calculate, plan, and evaluate their (future) performance. These tools were perceived as integral to improving performance through continuous self-tracking. The frequency with which interviewees consulted their personal performance reports ranged from multiple times a day to a few times a week. Since sales agents have prior knowledge of their sales numbers, they could estimate their numerical performance before reviewing the reports. Some stated that they feel motivated to look at their high(er) performance, while others expressed frustration upon seeing their shortfall documented. A few were indifferent to these evaluations. Sales agents stressed the need to develop strategies for self-discipline and motivation, such as consulting their performance reports. This might also

include setting work hours, holding a specific number of client meetings per day, or arranging new appointments. One agent described it as discovering a personal “*carrot and whip*” (interviewee #13) with an example being the purchase of a new car and taking on debt as motivation to sustain high performance.

In summary, through enacting the PMS metrics, self-developed IT systems, and personal performance reports, sales agents appear to adopt an output-oriented and individualistic working mode. While many interviewees acknowledged that they were (willingly) influenced by these control mechanisms, several expressed clear doubts about the value and significance of this form of entrepreneurial subjectivity.

### *Being a “successful” entrepreneur – rankings, sales competitions, and award ceremonies*

*"You know, there a plenty of (different) people. It's the same in sales, where many are simply driven by money, they just want to earn cash, and they don't care at all whether they win a medal, whether they go on stage, whether they get celebrated, or whether they're at some event (...) For others, it's just a job. (...) But especially in sales, there are many, many people who really thrive on being celebrated. (...) For them, it's about winning that medal and that prize, and being celebrated up there. And, yeah, that's how you steer people, right?" (Interviewee #8)*

Sales agents perception of the rankings, sales competitions, and award ceremonies were very heterogeneous. Some sales agents perceive them as “*necessary tools*” (interviewee #4) to prove their personal value to the regional management, for example to be recognized as being a high performer to improve their negotiation base to become an agency head. Others regard them consider them to be a harsh, unfair, or simple “*noise*” (interviewee #10), seeing these elements as irrelevant that have little to do with the essential work of a sales agent (i.e. interviewee #11). Conversely, some agents consider them as creating a “*sportive challenge*” (interviewee #3) that supports sales agents’ self-motivation and pushes them to achieve higher performances in their own interest.

Regardless of how sales agents perceive these elements of the PMS, the regional management uses them to monitor sales agents work and influence their behaviour through promoting competition between sales agents. Based on the personal performance reports and the rankings, the regional management categorizes sales agencies based on their (expected) performance into “high performers” (A), “average performers” (B), and “low performers” (C). While agencies in category A receive significant support, such as discount credits and assistance from sales specialists, low-performing agencies in category C are deliberately ignored. Sales specialists are even incentivized financially to avoid supporting category C agencies, although not all adhere to this policy. As one sales specialist remarked, he continues to help because he is not

“*inhuman*” (interviewee #8). Moreover, competition is reinforced through peer pressure, with sales agents observing both their own and others performance. The interconnected workings of the PMS are illustrated by the following statement from an agency head:

"(...) says the regional sales manager to me: no, no, you'll manage (...). You'll be able to get silver. I firmly believe in you. Miss so-and-so. She's going for gold. Me: wait a minute! She's going for gold. (...) I pull up the statistics from last month. Me: dear area manager. Man! Question: three colleagues, whose B number (commission number) isn't being recorded, but instead, the number of this customer adviser is listed. Right? I just did a quick estimate. I believe you. But it could also be the result of three, he starts laughing: yes, you're right. So right now, four people are writing (points) for this customer adviser." (Interviewee #12).

For some, this creates working conditions where they feel disconnected from other sales agents, describing themselves as “*lone wolf*” (interviewee #12), with norms and values which they do not (want) to share, pushing them to leave the sales department because they perceived “*(...) if I really want to be successful in sales, then I must become a certain type of person, and I am not willing to become that.*” (interviewee #5). However, not all sales agents experience such disconnection. While sales agents continued to state that doing sales, being owns own business is a highly individualized endeavour, there is also a community of entrepreneurs that “*finds together*” (interviewee #2), “*works towards a common goal*” (interviewee #8).

"*What I find very important at these events is the sense of togetherness or community. (...) We were “Consortium” and whatever came our way, (...) we stood together. And that brought an incredible drive, an incredible spirit into it. Thus, the other colleagues were seen as colleagues and not as competitors.*" (Interviewee #5)

De facto sales agents work individually, but mostly not separately or against each other. While some agents noted instances of colleagues turning their backs on each other, this was not a universal experience. Instead, sales agents befriend with each other, build alliances, and team-up to jointly navigate the system in which they are working. Whether they founded a “*regulars’ table*” (interviewee #10), a sales representative’s union (interviewee #14), or align to the sales agents’ code of honour to respect each other’s clients, interviewees perceived working as sales agents as teamwork. As one interviewee stated: “*there is enough for everyone*” (interviewee #13). Similarly, although some feared being perceived as lazy at award ceremonies due to lower performance, they saw these events more as opportunities to connect with peers than to compete. Conversations frequently touched on business ideas and tools, but often focused on personal topics, like family.

This teamwork also includes not only navigating the system but instances of resisting it in various ways. For example, a union of sales agents, comprising about 100 of the top-performing

agencies in Germany, is negotiating with top management to (slowly) change the PMS. One goal is to make sales roles more appealing to younger workers by eliminating performance metrics. In another case, an interviewee mentioned that the customer adviser ranking had to be revised after a legal complaint, citing privacy concerns. Now, instead of displaying the numerical performance of all advisers, only the top 20% are shown. Additionally, sales agents question the organization's entrepreneurial norms by redefining success according to personal values. Although all interviewees agreed that numerical performance plays a role in defining success, they expanded their understanding to include factors like meaningful customer relationships and family time. Most agents stated that they, not the organization, it's PMS, or their superiors, determine whether they are successful.

"So, I think every company has a clear definition of success, but there are certain boundaries you can define for yourself. (...) I want to build a standard for myself, and then I'd rather do less at some point, instead of always doing more to get more. For some, success means going full throttle until the last breath and constantly making more money. (...) So, I'd rather go fishing three times a week than keep pushing for more. That's also an option. I'm somewhere in the middle of that." (Interviewee #1)

### **Preliminary discussion**

The analysis of the empirical material so far shows that the interplay between different elements and mechanisms of control within the organizational PMS influence sales agents' subjectivity in ongoing processes of subjection. Sales agents enact those processes differently, incorporating diverse and potentially competing perceptions and underlying meaning structures eclectically. This results in a heterogeneous range of their practices of self-examination and self-regulation (Catlaw & Sandberg, 2018), through which they oscillate between reinforcing and rejecting organizational values and norms. Thus, the findings of this paper show instances of different ways how the (social) structures of the PMS influence individuals' subjectivities, but also how they (re)produce the structures that try to influence their behaviour and to shape their subjectivity (Fleming & Spicer, 2014).

Building on these empirical findings, this paper expands the focus on uniformity and regularity induced by (social) structures of control to more ephemeral effects of regularization (Lawrence, 2008). These systems are seldom if ever absolute in their ability to influence individual conduct and subjectivity. Instead, their regularizing effects impinge upon individuals to form and internalize a (desired) shared understanding about the (social) structures that seek to control them and to act accordingly (Weick, 1995).

Compliance thus requires individuals to actively perform and thus (re)produce organizational norms and values in their everyday practices (Fleming & Spicer, 2004). Elements and mechanisms of control circumventing in PMS pick up on what Roberts (2009, p. 959) refers to as “the endlessly repeated moment of subjection”. That is, they are about the ‘how’ rather than the ‘why’ and about ‘subjection’ rather than the already established ‘subject’. With that, I want to emphasize that social behaviour and subjectivities are not passively received but need to be performed by active subjects in interaction with each other and in relation to these (social) structures of control. Despite operating within the PMS, sales agents retain autonomy and pursue self-interested goals and rational means (Berger & Luckmann, 1967; Willmott, 2011).

The insights from the case study demonstrate that sales agents do not merely internalize the entrepreneurial values promoted by the organization. Instead, they engage in dialectic processes of compliance and agency, in which autonomy and control exist independently from each other (Fleming & Spicer, 2007). The PMS’ elements and mechanisms of control aim to align agents’ subjectivities with organizational values, they also offer flexibility for agents to redefine personal objectives, self-evaluate, reconnect with peers, form communities, and resist these norms. Practices and technologies of performance measurement, which confront agents with idealized behaviours (Roberts, 2009; Townley, 1998), prompt personal reflection on these organizational expectations. Thus, the PMS provides space for transformation, allowing individuals to modify and reconfigure its mechanisms to cope with control (Clegg et al., 2006; Fleming & Spicer, 2002). For example, some sales agents circumvent the conservative effects of the system by developing reflexivity of their social position through drawing on different (shared) meaning structures, questioning the epistemic authority of the PMS, and redefining the value of their individual behaviour. Others form a sales representative’s union to collectively promote changes to the PMS. These findings offer insights into sales agents’ struggles to mitigate neoliberal notions of competition and self-optimization, pursuing processes of emancipation from the (broader) overarching mentality of entrepreneurialism (Bröckling, 2015; Cooper, 2015; Du Gay, 1997).

However, even that many sales agents reject entrepreneurial norms of subjectivity at face value, they remain bound to navigate within the system. By “playing the game”, they accept and (re)produce the rules involved in the organizational PMS and participate in their own subjectivation while simultaneously resisting it. As a result, individuals may therefore be regulated by organizational performance management even without fully aligning with the

entrepreneurial norms and values it promotes. Notably, the elements and mechanisms of control within the PMS regulate sales agents' behaviour because the autonomy it offers, along with the rewards and sanctions it enforces, are concrete and tangible. Thus, the regularizing effects of the PMS are not solely contingent on sales agents reimagining themselves as entrepreneurs, although this may still occur.

To conclude, much of the extant literature emphasizes on the coercive and seductive type of explanations about the regularizing effects of various forms of control through market-based practices and technologies (Fleming, 2022). Here, "subjectification" is tendentially used as an explanation for why employees – albeit being sometimes unhappy – synchronize their social conduct with managerial objectives, as employees are ultimately transformed into advocates of corporate norms and values based (Alvesson & Spicer, 2024). From my perspective, this explanation risks to downplay the relevance of actors' interests and dismiss employee's autonomous decision-making as "illusory" because it doesn't take individuals' agency serious enough. Instead of being mere neoliberal subjects that have internalized the mythos of enterprise, individuals can respond thoughtfully, and potentially reject organizational rules, norms, and prescriptions that attempt to shape who they should or should not become.

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