

## **One for all and all for one? - The impact of team reward diversity on relational and operational team performance**

Solution selling is gaining tremendous importance for the thriving of companies and economies. Due to its complexity, solution selling requires effective teamwork. While past research found that team incentives are a key factor for strong team performance and healthy team climate, the effect of reward diversity in teams remains elusive. Team reward diversity comprises the extent of different shares of variable compensation among employees in one team. If reward diversity is high, the share of variable compensation differs significantly between team members, while low reward diversity indicates a similar variable compensation share across team members. A multi data source study shows that the effects of team reward diversity are highly ambivalent. While a high average share of variable compensation in a sales team and high interdependence between team members lead to positive effects of team reward diversity on team goal congruence and team members identification with the team, close leadership reduces team goal congruence when reward diversity is present. Thus, the study provides actionable implications for managerial practice, showing that the compensation system can be a key lever in promoting team cohesion and performance.