

A FRAMEWORK FOR PERSONAL SELLING AND SALES MANAGEMENT ETHICAL DECISION MAKING

O.C. Ferrell, Mark W. Johnston, and Linda Ferrell

This framework for personal selling and sales management ethical decision making is based on sales and marketing ethics research and grounded in ethical decision-making models in marketing. Using the two major streams of research—individual and organizational factors—a framework is developed that includes organizational culture, ethical issue intensity, and sales organization ethical climate or subculture. The variables influence a sales-related ethical decision with the evaluation of outcomes.

Ethical decision making in sales organizations has been explored using a variety of approaches. A review of personal selling and sales management literature reveals that research has mainly focused on individual and organizational factors that influence ethical decision making (McClaren 2000). Individual factors include gender, age, education, job tenure, as well as individual ethical values. Organizational factors include sales role and environment, organizational climate and culture, as well as the subculture or ethical climate of the sales organization.

Frameworks that describe ethical decision making in marketing organizations provide a solid foundation for understanding dimensions of ethical decision making in sales. Organizational influences on the ethical decision-making process have been extensively researched and conceptually grounded in models by Dubinsky and Loken (1989), Ferrell and Gresham (1985), Ferrell, Gresham, and Fraedrich (1989), Hunt and Vitell (2006), Trevino (1986), and Wotruba (1990). The existing literature on individual values and characteristics has examined decision making based on gender, age, and other demographic characteristics (McClaren 2000). Research on individual factors tends to focus on the extent decision makers use teleological, compared to deontological, evaluations

in the context of an issue faced in a scenario that is resolved outside of a social network. From a managerial perspective, the relationship between organizational culture, codes, compliance, rewards, punishment, supervision, and learning in an organizational environment has been the major focus of research (Ferrell, Fraedrich, and Ferrell 2008).

Our purpose is to provide an overview framework for understanding ethical decision making in selling and sales management. This framework has three goals: provide an understanding of existing research contributions, demonstrate the usefulness of different research streams in advancing sales ethics research, and delineate a foundation for critical evaluation and future research.

REVIEW OF LITERATURE

Within the context of marketing ethics, research into personal selling and sales management ethics has a history dating back more than 25 years. Early research focused on descriptive issues such as identifying ethical differences among groups involved in the selling process, such as industrial, retail, and service salespeople, as well as purchasing agents (Dubinsky and Levy 1985; Dubinsky, Ingram, and Rudelius 1985). These descriptive studies established a foundation for understanding the organizational environment and individual factors in ethical decision making.

A transformation in marketing ethics research from descriptive studies that identified and analyzed ethical differences in organizations and individuals to prescriptive studies that developed positive ethical decision-making models (Ferrell and Gresham 1985; Hunt and Vitell 1986; Jones 1991; Trevino 1986) led to the development of two sales ethics research streams. One focuses on the effect of organizational factors (ethical climate and managerial decision style) on ethical decisions (Bellizzi 1995; Bellizzi and Norvell 1991; Dubinsky and Ingram 1984). A second research stream considers the

O.C. Ferrell (Ph.D., Louisiana State University), Professor of Marketing, Creative Enterprise Scholar, Anderson Schools of Management, University of New Mexico, Albuquerque, ocferr@mgmt.unm.edu.

Mark W. Johnston (Ph.D., Louisiana State University), Alan and Sandra Gerry Professor of Marketing and Ethics, Crummer Graduate School of Business, Rollins College, Winter Park, FL, mjohnton@rollins.edu.

Linda Ferrell (Ph.D., University of Memphis), Associate Professor of Marketing, Creative Enterprise Scholar, Anderson Schools of Management, University of New Mexico, Albuquerque, lferrell@mgmt.unm.edu.

individual's role (Barnett, Bass, and Brown 1994; Tansey et al. 1994). Significant contributions have been made in these two areas of research (McClaren 2000). Sales ethics research has continued and, indeed, increased as practitioners and researchers seek to better understand the variables that affect sales ethics decisions (Hunt and Vitell 2006).

Individual Factors

Gender

Numerous studies have been unable to report that gender has a significant impact on sales ethics. At the individual decision level, research suggests that gender does not influence either perceptions about the severity of the ethical event or their ethical decision (Hegarty and Sims 1978; Singhapakdi and Vitell 1991, 1992). Research on the effects of gender on managerial response to salesperson ethical decisions suggests that when differences do exist, they are related to the specific situation and individual characteristics rather than gender (Belizzi 1995; Belizzi and Hasty 2001, 2002).

Age

Many studies have examined the role of age in ethics decision making. Research supports a small but consistent negative relationship between age (time in career) and ethical decision making; younger salespeople tend to find certain behaviors (gift giving, soliciting information about competitor bids) as more ethical than do older salespeople (Dubinsky et al. 1992; Hoffman, Howe, and Hardigree 1991).

Education

Most researchers assume that education would influence moral development and ethical decision making in sales. However, a salesperson's level of education does not impact his or her level of ethical conduct or his or her willingness to self-report unethical conduct (Dubinsky and Ingram 1984; Hoffman, Howe, and Hardigree 1991).

Ethical Values

Individual ethical values do affect ethical decisions as research suggests differences between a salesperson's ethical value system and the people he or she interacts with, such as purchasing agents (Dubinsky and Gwin 1981). In addition, Dubinsky, Nataraajan, and Huang (2004) reported that moral philosophy affects an individual's ethical beliefs among a group of retail salespeople. The existence of a relationship between the personal moral perspectives of salespersons provides an explanation of their personal ethical judgments (Singhapakdi and

Vitell 1993a; 1993b). Organizational factors have the potential of altering ethical intentions in an organizational context because the content-specific attitudes rather than generalized attitudes influence the decision (Cohen and Reed 2006). The consensus appears to be that cognitive moral development is difficult to measure and connect with organizational ethical decision making (Robin et al. 1996).

Job Tenure and Background

Tenure in the job has not been shown to affect either the level of ethical conflict (Dubinsky and Ingram 1984) or perception of what constitutes an ethical problem (Dubinsky et al. 1992). Professional standards and values influence the ethical evaluations of marketers, suggesting an important role for professional codes of ethics (Brinkman 2002; Singhapakdi and Vitell 1993a).

Organizational Culture

Sales ethics researchers have investigated a wide range of organizational factors on ethical decision making. Some factors, such as organizational climate, supervisory style, and the use of rewards and punishment, have been investigated much more heavily than others.

Sales Role and Environment

The degree to which a particular sales event creates ethical conflict is dependent on the sales context (Chonko and Burnett 1983). Moreover, within individuals, ethical conflict varies across situations and relationships that change over time, making it difficult for managers to fully understand the nature of the ethical relationship between salesperson and client (Lagace, Dahlstrom, and Gassenheimer 1991). Larger, more strategic accounts may create greater ethical pressure on salespeople as management considers critical issues such as information sharing, trust, and reward systems that are inconsistent with ethical decisions (Piercy and Lane 2007).

Ethical Issue Intensity

Ethical issue intensity is the relevance or importance of an ethical issue in the eyes of the individual, work group, or organization (Jones 1991). Ethical issue intensity is placed with organizational factors because managers with authority contribute to the recognition of the importance of ethical issues. Managers communicate the organizational ethical climate, including values, norms, and informal cues, to identify ethical issues. Ethical issue intensity involves individual's cognitive state of concern about an issue and involves making choices.

Supervisory Style

Supervision has been shown to impact sales force ethics in several ways. For example, management tends to punish men more severely than women (Belizzi and Hite 1989) and obese individuals more harshly than nonobese (Belizzi and Norvell 1991). Management also modifies their evaluation of salesperson ethical decisions based on performance, with lower-performing salespeople being punished more harshly than high performers (DeConinck 1992). More recently, Belizzi and Hasty (2003) reported a strong relationship between performance and leniency on ethical violations, reinforcing the tendency of managers to treat higher performers differently from low performers on unethical behavior.

Organizational Climate and Culture

The ethical culture of the organization and the climate or ethical subculture of the sales organization has been a major factor derived from ethical decision-making models and used in sales research (Schwepker and Hartline 2005; Schwepker, Ferrell, and Ingram 1997). Organizational culture is a set of values, norms, and artifacts shared by members that result in behavior to resolve problems and decisions (Maignan and Ferrell 2004). A sales organization can develop a subculture or sales ethical climate that may be “viewed as a combination of its members’ perceptions of the ethical values and behaviors supported and practiced by organizational members” (Schwepker and Good 2007, p. 329). Cultures that promote deontological ethical behavior have been demonstrated to positively affect ethical values among salespeople (Hunt and Vasquez-Parraga 1993), and salespeople respond favorably when organizational value systems are internalized and validated by management (DeConinck and Lewis 1997). A salesperson’s perception of a positive organizational climate has also been shown to positively impact individual commitment to quality, organizational commitment (Weeks et al. 2004), and customer orientation (Schwepker and Good 2005), and to negatively affect their perceived ethical conflict with sales managers (Schwepker, Ferrell, and Ingram 1997).

Moreover, salespeople who are aware of their company’s ethics code perceive their organization to have higher ethical values and exhibit higher levels of organizational commitment than salespeople who are not aware of an ethical value code (Valentine and Barnett 2003). Finally, research suggests that not only does organizational culture affect salesperson and sales manager attitudes but also managerial ethical attitudes impact ethical training and hiring evaluations of salespeople (Schwepker and Good 2007). Conceptual research in sales social networks offers additional insights on the influence of organizational networks on sales force ethical decision making (SeEVERS, Skinner, and Kelly 2007).

Ethical Decision-Making Models

Marketing ethics models by Dubinsky and Loken (1989), Ferrell and Gresham (1985), Ferrell, Gresham, and Fraedrich (1989), Hunt and Vitell (2006), and Wotruba (1990) helped to define and direct ethics research. In turn, these models have provided a conceptual framework for sales ethics research. Research indicates that members of the sales organization do not differ from members of other marketing professions with respect to personal moral perspectives, or perceptions of ethical problems and feasible resolution (Singhapaki and Vitell 1992). While Ferrell and Gresham (1985) proposed that attitudes will affect ethical decision making, Dubinsky and Loken (1989) suggested that these attitudes are affected by behavioral and normative beliefs. In an effort to extend sales ethics research, Wotruba (1990) developed the ethical decision action process (EDAP) sales ethical framework that included four major elements—the moral decision structure, characteristics of the decision maker, situational moderators, and outcomes. This framework enabled researchers to direct research activity to specific components of the sales ethical decision process.

AN ETHICAL DECISION-MAKING FRAMEWORK FOR SALES

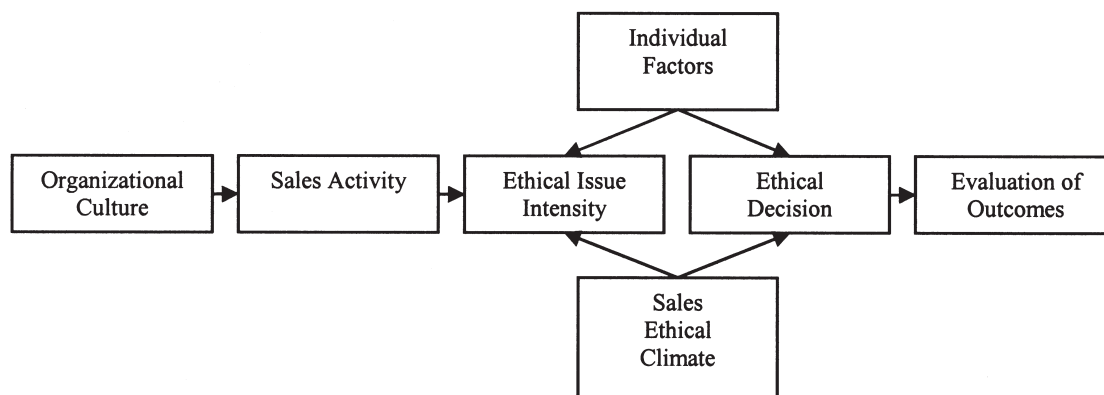
To understand ethical decision making in sales and sales management, it is necessary to understand how ethical issues evolve and are resolved. There is an ethical component in sales activities, and outcomes may be influenced by individual or organizational factors. Organizational culture provides both formal and informal values and norms for resolving issues. Figure 1 provides a framework for understanding ethical decision making for selling and sales management. This is not a framework to describe how ethical decisions should be made. It is a positive framework for understanding the variables and process of ethical decision making. Stakeholder concerns, conflicts with organizational expectations, and colleagues interacting in ambiguous situations or dilemmas help trigger ethical issue intensity. In some cases, unethical conduct may be a part of required sales activities.

Organizational Culture

The ethical climate of an organization is a significant element of organizational culture. Whereas a firm’s overall culture establishes ideals that guide a wide range of behaviors for members of the organization, its ethical climate focuses specifically on issues of right and wrong.

The ethical climate is the sales organization’s character or conscience or mutually accepted expectations of conduct. The sales organization may have its own subculture or climate of

Figure 1
A Framework of Selling and Sales Management Ethical Decision Making



norms and values for appropriate behavior. Codes of conduct and ethics policies, as well as sales managers, contribute to an organization's ethical climate for sales ethics. In fact, the ethical climate actually determines whether or not certain dilemmas are perceived as having an ethical intensity level that requires a decision (Ferrell 2005). For example, if a firm's sales script has embedded deceptive statements and it is used to train new salespeople, it is seen as unacceptable and perpetuating a culture of deceit.

A salesperson develops networks of customers, leads, and colleagues that establish a set of direct and indirect contacts (Ustuner and Godes 2006). When an ethics decision unfolds, most salespeople and managers can determine the most effective network configuration to determine resolution and possible outcomes. Context-specific attitudes formed in these social networks rather than generalized values such as trust and honesty will have the most influence on decisions.

Through socialization, individuals develop their own ethical pattern of behavior, including judgments about right or wrong actions. Although individual factors influence the decision, the social interaction changes the dynamics and alternatives that a salesperson has in an organization. Webs of interaction with customers, managers, competitors, staff members, and colleagues create an interplay that influences decisions. Ethical decisions in the workplace are guided by the organization's culture, including managers, trusted colleagues, subordinates, and external stakeholders. In fact, ethics consultants believe more ethical misconduct is done to benefit organizational performance rather than to satisfy personal greed (Kelly 2005).

Sales Activities and Ethical Issue Intensity

A sales activity may trigger ethical issue intensity. A sales activity is any sales effort used in developing a buyer-seller exchange. Overly aggressive sales presentations, deceptive sales tactics, and omitted product information could be sales activi-

ties that create an ethical issue. A visible activity or outcome can become important to stakeholders and can be viewed as an ethical concern. Sales organizations can identify the importance of stakeholders and stakeholder issues and gather information to respond to significant individuals, groups, and communities. Stakeholder ethical values and norms apply to a variety of sales issues and selling practices, customer concerns, regulatory requirements, product quality, and proper information disclosure (Maignan and Ferrell 2004). Noticeably, stakeholder values and norms concern both issues that do and do not affect stakeholders' welfare. For example, customers may be concerned not only about truthful information disclosure but also about social issues such as environmental impact. Stakeholder issues are the concerns that stakeholders embrace about organizational activities and the residual impact.

Next in the decision-making process is the importance or relevance of a perceived issue—that is, the intensity of the issue (Jones 1991). The intensity of a particular issue is likely to vary over time and among individuals and is influenced by the organizational culture, values, and norms; the special characteristics of the situation; and the personal pressures weighing on the decision. For example, a decision to provide gifts to potential customers such as sporting event tickets or expenses associated with meals could relate to a bribe. Personal moral development, organizational culture, and coworkers determine why different people perceive issues with varying intensity (Robin, Reidenbach, and Forrest 1996).

Individual Factors

Perhaps one of the greatest challenges facing the study of sales ethics involves the role of individuals and their values. Although most of us would like to place the primary responsibility for decisions with individuals, years of research point to the primacy of organizational factors in determining ethical decisions at work (Ferrell 2005). Research indicates that attitudes

are prompted by complex interactions between individual and organizational member evaluations of an ethical issue. Of importance to understanding ethical decision making is that organizational members rely on context-specific attitudes rather than generalized or enduring attitudes (Cohen and Reed 2006). This means that the organizational culture will be the major influence on ethical decision making. Ethical decisions are made in the context of social networks that provide rewards and punishments for ethical decision outcomes.

However, individual factors are obviously important in the evaluation and resolution of ethical issues, and familiarity with theoretical frameworks from the field of moral philosophy is helpful in determining ethical decision making in business (Murphy et al. 2005). Two significant factors in business ethics are an individual's personal moral philosophy and stage of moral development. Significant research on this topic confirms that individuals use a variety of ethical philosophies in finalizing ethical decisions.

Sales Organization Subculture

A sales organization's ethical climate can be managed by trying to hire employees whose values match established norms and values. Some firms even measure potential employees' values during the hiring process and strive to choose individuals who "fit" within the ethical climate rather than those whose beliefs and values differ significantly. A poor "fit" can have expensive ramifications for both organizations and employees. Beyond the potential for misconduct, a poor employee-organization ethical fit usually results in low job satisfaction, decreased performance, and higher turnover (Sims and Kroeck 1994).

A sales organizational ethical climate through codes, compliance, policy, and supervision may limit or permit misconduct. When these conditions provide rewards, such as financial gain, recognition, promotion, or simply the good feeling from a job well done, the opportunity for unethical conduct may be encouraged or discouraged based on ethical culture. For example, a company policy that does not provide for punishment of employees who violate a rule (e.g., paying a bribe or conflict of interest) provides an opportunity for unethical behavior. Informal social networks that bend the rules or provide acceptance of misconduct contribute to an unethical culture. Essentially, approval, support, and even rewards for misconduct allow individuals to engage in such behavior without fear of consequences. Thus, organizational policies, compliance systems, and social networks may contribute to the opportunity to act unethically.

Ethical Decisions and Outcomes

Opportunity usually relates to salespersons' immediate job context—where they work, with whom they work, and the

nature of the work. This context can affect the ethical decision and evaluations associated with outcomes. The work environment includes the motivational "carrots and sticks" that sales managers can use to influence employee behavior. Pay raises, bonuses, and public recognition are carrots, or positive reinforcement, whereas reprimands, pay penalties, demotions, and even firings act as sticks, the negative reinforcement.

For example, salespersons who are publicly recognized and given a large bonus for making valuable sales obtained through unethical tactics will probably be motivated to use unethical sales tactics in the future, even if such behavior goes against their personal value system.

Research has shown that there is a general tendency to discipline top sales performers more leniently than poor sales performers for engaging in identical forms of unethical selling behavior (Bellizzi and Hasty 2003). Neither a company policy stating that the behavior in question was unacceptable nor a repeated pattern of unethical behavior offset the general tendency to favor the top sales performers. A superior sales record appears to induce more lenient forms of discipline despite managerial actions that are specifically instituted to produce more equal forms of discipline. Based on their research, Bellizzi and Hasty (2003) concluded that an opportunity exists for top sales performers to be more unethical than poor sales performers.

This framework helps understand sales ethics from an organizational perspective and to see how the model in Figure 1 fits together. Although some approaches to sales ethics focus on improving individual character and values such as honesty, trust, and the "golden rule," current research indicates that the sales ethical climate may be the best way to develop and maintain ethical conduct in sales. Sales managers do not have the time, resources, and ability to reprogram salespersons' moral philosophies, even if it were possible. Research indicates that approximately 10 percent of employees are ethical egoists who will take advantage if the risks of being caught are low and there is an opportunity of misconduct (Ferrell, Fraedrich, and Ferrell 2008).

The framework used here can help link the organizational processes and individual values and cognitive skills in decision making. The development of critical thinking in a social network context is an important part of ethical decision making. Although the development of personal character is important, it must be linked to competence in understanding risks and approaches to managing ethics and compliance in a complex organizational context. It is not as simple as just telling salespeople to "do the right thing."

Sales ethics in organizations requires values-based leadership from top management, purposeful actions that include planning and implementation of standards of appropriate conduct, as well as openness and continuous effort to improve the organization's ethical performance.

Although personal values are important in ethical decision making, they are just one of the components that guide the decisions, actions, and policies of organizations. The burden of ethical behavior relates to the organization's values and traditions, not just to the individuals who make the decisions and carry them out. A firm's ability to plan and implement standards depends in part on structuring resources and activities to achieve ethical objectives in an effective and efficient manner.

FUTURE DIRECTIONS FOR RESEARCH

Personal selling and sales management ethics has been a visible part of the marketing ethics research and publications over the past 25 years. The *Journal of Personal Selling & Sales Management*, *Journal of Business Ethics*, *Journal of Business Research*, *Journal of Public Policy & Marketing*, and *Journal of Marketing* have included studies on this topic. This research has evolved from descriptive studies of issues and behavior (Dubinsky and Gwin 1981) to positive decision-making models (Hunt and Vitell 2006; Wotruba 1990).

Individual factors continue to be of interest in understanding ethical decision making in sales, including gender, age, values, and personal orientations such as Machiavellianism (Singhapakdi and Vitell 1991). Although this research is useful for understanding individual factors, the results include conflicts and mixed recommendations for managerial actions. Hiring only one philosophy type or changing salespersons' moral philosophy is not an alternative that most firms use in managing ethical decisions. Research into individual factors has not developed into grounded models that help predict and control the hiring, training, and development of ethical decision making in sales organizations.

Discovering that individuals have different moral philosophies and value orientations in making ethical decisions is a descriptive discovery exercise that provides managers a background for developing ethics sales training in organizations. Best practices for improving ethical conduct in sales are grounded in culture, codes, compliance, governance, and risk management as an organizational process (www.oceg.org). Because salespeople have different moral philosophies and personal characteristics, there is a need to develop an ethical culture that provides shared values, norms, and a compliance program that recognizes how various personal perspectives interact. The opportunity to describe, predict, and control ethical decisions, based on positive models of ethical decision making, provide research topics with managerial relevance.

A significant void in research includes oversight, discipline, rewards, and punishment (Bellizzi and Hasty 2003; Bellizzi and Hite 1989; Bellizzi and Norvell 1991; Vitell and Hunt 1990). The area of research pioneered by Bellizzi and others provides the promise of defining the sticks and carrots of

sales management ethics. More research is needed to help sales managers structure the sales organization subculture to achieve ethical performance.

It has been suggested that sales managers need to spend time improving salesperson cognitive moral development and the interpersonal dimensions of the sales organization's ethical climate to ensure ethical conduct (Ingram, LaForge, and Schwepker 2007). Research is needed to expose the possibility or desirability of hiring salespeople with high levels of cognitive moral development or training programs for increasing cognitive moral development. An important research question relates to the ability and effectiveness of using control systems to monitor and direct ethical decisions to increase salesperson ethical reasoning capability. Because cognitive moral development and ethical decisions are related (Goolsby and Hunt 1992), there is a need for research to determine if it is possible, practical, and socially desirable to change individuals' personal moral perspective in a sales organization environment.

The development of values, codes of conduct, and organizational structure for implementation is an important area for research in personal selling and sales management ethics (DeConinck and Lewis 1997; Hunt and Vasques-Parraga 1993; Singhapakdi and Vitell 1991). Knowing more about how to develop organization-wide shared norms and values is key to developing an ethical organizational sales subculture. Linking formal codes and compliance to informal cultural behavior is key to consistent decision making on important ethical issues. Developing organizational governance and structure to support and enforce codes and compliance is a key to implementation and ethical conduct. Decisions to develop values, codes, and structure unique to the sales organization subculture is an important area to explore in future research.

The development and impact of risk management mechanisms as a part of formal ethics programs is an important area for research. Risk management includes recognition of risks or the chance of sales misconduct in activities where there are opportunities, pressures, or just ambiguity. Risk management is a prioritization process involving and focusing on risks associated with a high probability of occurrence. For example, in many organizations, abusive behavior and harassment are key risk areas that need to be monitored through identification, assessment, and avoidance. Research that assesses sales organization risks and methods to minimize the risks that result in misconduct has the potential to contribute to sales management and organizational ethics.

The sales organization needs a system of discovery with monitoring that uses formal and informal feedback systems. This is necessary to take rapid actions to restore, stabilize, and resume sales activities after an ethics event (Brewer, Chandler, and Ferrell 2006). Ethics assessments and audits are important to maintain compliance and effective feedback systems related

to ethics. This research could relate to risk management and the sales organization subculture. Too often, an ethical crisis develops because of complacency in reporting and responding to an ethics issue. Research that determines how reporting of ethical issues occurs in a sales organization could be useful in structuring ethics programs.

The position of the salesperson as the boundary spanner creates a role that goes beyond most organizational members in developing formal and informal interpersonal relationships. Salespeople develop interpersonal ties with a complex web of internal and external stakeholders. Internally, salespersons develop colleagues among other salespersons, support staff, functional departments (such as manufacturing, shipping, and accounting), as well as managers and informal leaders in the organization. Ustuner and Godes (2006) describe external relationships as prospect networks (contacts in the prospect's firm), customer networks (contacts in a prospect's firm), customer networks (contacts from a current client), and marketplace networks (other work contacts, including contacts with competitors outside of the firm).

Values and norms evolve that dictate how ethical decisions are made in these webs of interactions. A research agenda that emphasizes these interpersonal relationships as well as the characteristics of the actors that comprise the organizational network is the social network perspective in personal selling and sales management (Seever, Skinner, and Kelly 2007). Empirical research that examines relationship types and relationship structure is needed to better understand ethical decision making in sales organizations.

Existing research confirms that the sales organization subculture or ethical climate influences ethical decision making (Valentine and Barnett 2007). Perceptions of the organization's ethical climate create context-specific attitudes that are even more important than enduring values (Cohen and Reed 2006). The perceived ethical context in the sales organization ethical climate will influence intentions and judgments (Valentine and Barnett 2007). Although much research on this topic is perceptual and based on scenarios provided individually, outside the web of social networks, this research opens the door to increased understanding of the role of ethical climate in decision making.

The role of sales manager's ethical beliefs and behavior provides direction to decisions related to employment, training, and attitudes likely to positively influence the ethical behavior of the salesperson (Schwepker and Good 2007). Important to greater understanding in the development of the sales organization's ethical climate is the discovery of specific attitudes and beliefs that will improve the salesperson's perception of the ethicalness of the sales manager and the sales ethical climate. The critical relationships between the firm's ethical climate, sales manager attitudes, and specific sales activities such as hiring, firing, training, bonuses, and

punishments are excellent areas to advance research to better understand sales ethics.

CONCLUSIONS

The investigation of decision making in personal selling and sales management is an important area of research that contributes to both theory and practice. There has been an interface between conceptual frameworks and empirical research in marketing ethics and many of these studies are specifically concerned with sales ethics. Some studies that are published in marketing or business ethics journals use salespersons or sales managers as the sample.

Contributions to marketing theory include studies that investigate cognitive moral development and values used by individuals in ethical decision making. Most ethical decision-making models link individual and organizational factors as predictive variables in ethical decisions and outcomes. Sales ethics has provided insightful studies on the influence of ethical culture and climate on the sales organization's ethical decision making. Empirical studies on ethical climate help ground conceptual models such as that of Hunt and Vitell (2006).

Even though much progress has been made in conceptual foundations and ethical decision-making theory, more development, refinement, and theory development is important in directing future research. The practice of personal selling and sales management ethics has been advanced by the knowledge provided by marketing research. The sales professional has been a great example of self-regulation through professional codes of conduct provided by the American Marketing Association, Direct Selling Association, Direct Marketing Association, and National Council of the Better Business Bureaus. Many organizations are developing comprehensive ethics programs to address specific risk areas that are unique to selling and the sales profession. Oversight of ethics in organizations has been elevated to boards of directors, and the sales organization will have to comply with new organizational requirements for ethical conduct. Sales ethics remains a complex area to understand and offers a great opportunity for research on many of the dimensions discussed in this paper.

REFERENCES

- Barnett, Tim, Ken Bass, and Gene Brown (1994), "Ethical Ideology and Ethical Judgments Regarding Ethical Issues in Business," *Journal of Business Ethics*, 13 (June), 469-480.
- Bellizzi, Joseph A. (1995), "Committing and Supervising Unethical Sales Force Behavior: The Effects of Victim Gender, Victim Status, and Sales Force Motivational Techniques," *Journal of Personal Selling & Sales Management*, 15, 2 (Spring), 1-15.

- , and Ronald W. Hasty (2001), "The Effects of Stated Organizational Policy on Inconsistent Disciplinary Action Based on Salesperson Gender and Weight," *Journal of Personal Selling & Sales Management*, 21, 3 (Summer), 189–198.
- , and ——— (2002), "Supervising Unethical Sales Force Behavior: Do Men and Women Managers Discipline Men and Women Subordinates Differently," *Journal of Business Ethics*, 40 (October), 155–166.
- , and ——— (2003), "Supervising Unethical Sales Force Behavior: How Strong is the Tendency to Treat Top Sales Performers Leniently?" *Journal of Business Ethics*, 43 (April), 337–351.
- , and Robert E. Hite (1989), "Supervising Unethical Salesforce Behavior," *Journal of Marketing*, 53 (April), 36–47.
- , and Doug W. Norvell (1991), "Personal Characteristics and Salesperson's Justifications as Moderators of Supervisory Discipline in Cases Involving Unethical Salesforce Behavior," *Journal of the Academy of Marketing Science*, 19 (1), 11–16.
- Brewer, Lynn, Robert Chandler, and O.C. Ferrell (2006), *Managing Risks for Corporate Integrity: How to Survive An Ethical Misconduct Disaster*, Mason, OH: Thomson/Texere.
- Brinkman, Johannes (2002), "Business and Marketing Ethics as Professional Ethics: Concepts, Approaches and Typologies," *Journal of Business Ethics*, 41 (November), 159–177.
- Chonko, Lawrence B., and John J. Burnett (1983), "Measuring the Importance of Ethical Situations as a Source of Role Conflict: A Survey of Salespeople, Sales Managers and Sales Support Personnel," *Journal of Personal Selling & Sales Management*, 3, 1 (May), 41–47.
- Cohen, Joel B., and Americus Reed, II (2006), "A Multiple Pathway Anchoring and Adjustment (MPAA) Model of Attitude Generation and Recruitment," *Journal of Consumer Research*, 33 (June), 1–15.
- Dawson, Leslie M. (1997), "Ethical Differences Between Men and Women in the Sales Profession," *Journal of Business Ethics*, 16 (August), 1143–1152.
- DeConinck, James B. (1992), "How Sales Managers Control Unethical Sales Force Behavior," *Journal of Business Ethics*, 11 (October), 789–798.
- , and William F. Lewis (1997), "The Influence of Deontological and Teleological Considerations and Ethical Climate on Sales Managers' Intentions to Reward or Punish Sales Force Behavior," *Journal of Business Ethics*, 16 (April), 497–506.
- Dubinsky, Alan J., and John M. Gwin (1981), "Business Ethics: Buyers and Sellers," *Journal of Purchasing and Materials Management*, 17 (Winter), 9–16.
- , and Thomas N. Ingram (1984), "Correlates of Salespeople's Ethical Conflict: An Exploratory Investigation," *Journal of Business Ethics*, 3 (November), 343–353.
- , and Marvin Levy (1985), "Ethics in Retailing: Perceptions of Retail Salespeople," *Journal of the Academy of Marketing Science*, 13 (1), 1–16.
- , and Barbara Loken (1989), "Analyzing Ethical Decision Making in Marketing," *Journal of Business Research*, 19 (September), 83–107.
- , Thomas N. Ingram, and William Rudelius (1985), "Ethics in Industrial Selling: How Product and Service Salespeople Compare," *Journal of the Academy of Marketing Science*, 13 (Winter), 160–170.
- , Rajan Natarajan, and Wen-Yeh Huang (2004), "The Influence of Moral Philosophy on Retail Salespeople's Ethical Perceptions," *Journal of Consumer Affairs*, 38 (2), 297–319.
- , Marvin A. Jolson, Ronald E. Michaels, Masaaki Kotabe, and Chae Un Lim (1992), "Ethical Perceptions of Field Sales Personnel: An Empirical Assessment," *Journal of Personal Selling & Sales Management*, 12, 4 (Fall), 9–22.
- Ferrell, O.C. (2005), "A Framework for Understanding Organizational Ethics," in *Business Ethics: New Challenges for Business Schools and Corporate Leaders*, Robert A. Peterson and O.C. Ferrell, eds., Armonk, NY: M.E. Sharpe, 3–17.
- , and Larry G. Gresham (1985), "A Contingency Framework for Understanding Ethical Decision Making in Marketing," *Journal of Marketing*, 49 (Summer), 87–96.
- , John Fraedrich, and Linda Ferrell (2008), *Business Ethics: Ethical Decision Making and Cases*, 7th ed., Boston: Houghton Mifflin.
- , Larry G. Gresham, and John Fraedrich (1989), "A Synthesis of Ethical Decision Models for Marketing," *Journal of Macromarketing*, 9 (Fall), 55–64.
- Goolsby, Jerry R., and Shelby D. Hunt (1992), "Cognitive Moral Development and Marketing," *Journal of Marketing*, 56 (January), 55–68.
- Hegarty, W. Harvey, and Henry P. Sims, Jr. (1978), "Some Determinants of Unethical Behavior: An Experiment," *Journal of Applied Psychology*, 63 (4), 451–457.
- Hoffman, K. Douglas, Vince Howe, and Donald W. Hardigree (1991), "Ethical Dilemmas Faced in the Selling of Complex Services: Significant Others and Competitive Pressures," *Journal of Personal Selling & Sales Management*, 11, 4 (Fall), 13–26.
- Hunt, Shelby D., and Arturo Z. Vasquez-Parraga (1993), "Organizational Consequences, Marketing Ethics, and Salesforce Supervision," *Journal of Marketing Research*, 30 (February), 78–90.
- , and Scott J. Vitell (1986), "A General Theory of Marketing Ethics," *Journal of Macromarketing*, 6 (Spring) 5–16.
- , and ——— (2006), "The General Theory of Marketing Ethics: A Revision and Three Questions," *Journal of Macromarketing*, 26 (2), 143–153.
- Ingram, Thomas N., Raymond W. LaForge, and Charles H. Schwepker, Jr. (2007), "Salesperson Ethical Decision Making: The Impact of Sales Leadership and Sales Management Control Strategy," *Journal of Personal Selling & Sales Management*, 27, 4 (Fall), 303–317.
- Jones, Thomas M. (1991), "Ethical Decision Making by Individuals in Organizations: An Issue Contingent Model," *Academy of Management Review*, 16 (2), 366–395.

- Kelly, Marjorie (2005), "The Ethics Revolution," *Business Ethics*, 19 (6), 7.
- Lagace, Rosemary, Robert Dahlstrom, and Jule B. Gassenheimer (1991), "The Relevance of Ethical Salesperson Behavior on Relationship Quality: The Pharmaceutical Industry," *Journal of Personal Selling & Sales Management*, 11, 4 (Fall), 39–47.
- Maignan, Isabelle, and O.C. Ferrell (2004), "Corporate Social Responsibility and Marketing: An Integrative Framework" *Journal of the Academy of Marketing Science*, 32 (1), 3–19.
- McClaren, Nicholas (2000), "Ethics in Personal Selling and Sales Management," *Journal of Business Ethics*, 27 (October), 285–303.
- Murphy, Patrick E., Gene R. Laczniak, Norman E. Bowie, and Thomas Klein (2005), *Ethical Marketing*, Upper Saddle River, NJ: Pearson Prentice Hall.
- Piercy, Nigel F., and Nikala Lane (2007), "Ethical and Moral Dilemmas Associated with Strategic Relationships Between Business-to-Business Buyers and Sellers," *Journal of Business Ethics*, 72 (April), 87–102.
- Robin, Donald P., R. Eric Reidenbach, and P.J. Forrest (1996), "The Perceived Importance of an Ethical Issue as an Influence on the Ethical Decision-Making of Ad Managers," *Journal of Business Research*, 35 (January), 17–29.
- , Gus Gordon, Charles Jordan, and R. Eric Reidenbach (1996), "The Empirical Performance of Cognitive Moral Development in Predicating Behavioral Intent," *Business Ethics Quarterly*, 6 (4), 493–515.
- Rosthorn, John (2000), "Business Ethics Auditing—More Than a Stakeholder's Toy," *Journal of Business Ethics*, 27 (September), 9–19.
- Schwepker, Charles H., Jr., and David J. Good (2005), "Marketing Control and Sales Force Customer Orientation," *Journal of Personal Selling & Sales Management*, 23, 3 (Summer), 167–179.
- , and ——— (2007), "Sales Management's Influence on Employment and Training in Developing an Ethical Sales Force," *Journal of Personal Selling & Sales Management*, 27, 4 (Fall), 327–341.
- , and Michael D. Hartline (2005), "Managing the Ethical Climate of Customer-Contact Service Employees," *Journal of Service Research*, 7 (May), 377–397.
- , O.C. Ferrell, and Thomas N. Ingram (1997), "The Influence of Ethical Climate and Ethical Conflict on Role Stress in the Sales Force," *Journal of the Academy of Marketing Science*, 25 (Spring), 99–108.
- Seevers, Matthew T., Steven J. Skinner, and Scott W. Kelley (2007), "A Social Network Perspective on Sales Force Ethics," *Journal of Personal Selling & Sales Management*, 27, 4 (Fall), 343–355.
- Sims, Randi L., and K. Galen Kroeck (1994), "The Influence of Ethical Fit on Employee Satisfaction, Commitment and Turnover," *Journal of Business Ethics*, 13 (December), 939–947.
- Singhapakdi, Anusorn, and Scott J. Vitell (1991), "Analyzing the Ethical Decision Making of Sales Professionals," *Journal of Personal Selling & Sales Management*, 11, 4 (Fall), 1–12.
- , and ——— (1992), "Marketing Ethics: Sales Professionals Versus Other Marketing Professionals," *Journal of Personal Selling & Sales Management*, 12, 2 (Spring), 27–38.
- , and ——— (1993a), "Personal and Professional Values Underlying the Ethical Judgments of Marketers," *Journal of Business Ethics*, 12 (July), 525–533.
- , and ——— (1993b), "Personal Values Underlying the Moral Philosophies of Marketing Professionals," *Business and Professional Ethics Journal*, 12 (1), 91–106.
- Tansey, Richard, Gene Brown, Michael R. Hyman, and Lyndon E. Dawson (1994), "Personal Moral Philosophies and Moral Judgments of Salespeople," *Journal of Personal Selling & Sales Management*, 14, 1 (Winter), 59–75.
- Trevino, Linda Klebe (1986), "Ethical Decision Making in Organizations: A Person–Situation Interactionist Model," *Academy of Management Review*, 11 (July), 601–617.
- Ustuner, Tuba, and David Godes (2006), "Better Sales Networks," *Harvard Business Review*, 10 (July–August), 102–112.
- Valentine, Sean, and Tim Barnett (2003), "Ethics Code Awareness, Perceived Ethical Values, and Organizational Commitment," *Journal of Personal Selling & Sales Management*, 23, 4 (Fall), 359–367.
- , and ——— (2007), "Perceived Organizational Ethics and the Ethical Decisions of Sales and Marketing Personnel," *Journal of Personal Selling & Sales Management*, 27, 4 (Fall), 375–390.
- Vitell, Scott J., and Shelby D. Hunt (1990), "The General Theory of Marketing Ethics: A Partial Test of the Model," in *Research in Marketing*, vol. 10, Jagdish Sheth, ed., Greenwich, CT: JAI Press, 237–265.
- Weeks, William A., Terry W. Loe, Lawrence B. Chonko, and Kirk Wakefield (2004), "The Effect of Perceived Ethical Climate on the Search for Sales Force Excellence," *Journal of Personal Selling & Sales Management*, 24, 3 (Summer), 199–214.
- Wotruba, Thomas R. (1990), "A Comprehensive Framework for the Analysis of Ethical Behavior, with a Focus on Sales Organizations," *Journal of Professional Selling & Sales Management*, 10, 2 (Spring), 29–42.

Copyright of *Journal of Personal Selling & Sales Management* is the property of M.E. Sharpe Inc. and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.