The Mediating Role of Ethical Decision Making in the Relationship between Job Characteristics and Job Outcomes: An Examination of Business-to-Business Salespeople

G. Alexander Hamwi

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The author of this dissertation is:

G. Alexander Hamwi
1744 North Farm Road 203
Strafford, MO 65757

The director of this dissertation is:

James S. Boles
Department of Marketing
J. Mack Robinson College of Business
Georgia State University
P.O. Box 3991
Atlanta, GA 30302-3991
The Mediating Role of Ethical Decision Making in the Relationship between Job Characteristics and Job Outcomes: An Examination of Business-to-Business Salespeople

BY

Georg Alexander Hamwi

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ACCEPTANCE

This dissertation was prepared under the direction of the G. Alexander Hamwi’s Dissertation Committee. It has been approved and accepted by all members of that committee, and it has been accepted in partial fulfillment of the requirements for the degree of Doctoral of Philosophy in Business Administration in the Robinson College of Business of Georgia State University.

H. Fenwick Huss, Ph.D.
Dean
Robinson College of Business

DISSERTATION COMMITTEE

James S. Boles, Ph.D.
Danny N. Bellenger, Ph.D.
Naveen Donthu, Ph.D.
Donald R. Robin, Ph.D.
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ABSTRACT

The Mediating Role of Ethical Decision Making in the Relationship between Job Characteristics and Job Outcomes: An Examination of Business-to-Business Salespeople

BY
Georg Alexander Hamwi

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Committee Chair: James S. Boles

Major Academic Unit: Department of Marketing

The purpose of this research is to examine how the ethical decision making of a salesperson is influenced by job characteristics, and how ethical decision making then influences job outcomes. This research is important because the field of ethics draws from diverse disciplines that have minimal agreement with each other. While calls have been made for a uniform standard of ethics, a better decision may be for each discipline to look internally to determine both what ethics is and how it functions in relation to other variables on in each disciplines unique field.

This study examines first how the exogenous job characteristic variables of perceived organizational support, sales force control system and ethical values of the salesperson affect ethical decision making. Perceived organizational support and the behavioral-based sales force control system are hypothesized to positively influence ethical decision making. The link between perceived organizational support and ethical decision making has been observed in the field of accounting, and sales research has found that perceived organizational support leads to organizational citizenship behavior, which contains ethical decision making under its umbrella. Behavior-based sales force control systems are predicted to lead to ethical decision making because this type of control system has been shown to both lead to increased affective organizational commitment and reduce the benefits of acting unethically. The ethical values of the salesperson are predicted to moderate the relationships between the independent variables and ethical decision making. Ethical values and the independent variables in the study are influenced by similar antecedent constructs.

The study also examines how ethical decision making influences the endogenous job outcomes variables of affective organizational commitment and salesperson performance. Ethical decision making is hypothesized to positively influence both performance and commitment. Ethical climates have been found to increase commitment, and performance is considered a key outcome of ethical decision making. Azjen’s (1985) theory of planned behavior ties the hypotheses together.
The Mediating Role of Ethical Decision Making in the Relationship between Job Characteristics and Job Outcomes: An Examination of Business-to-Business Salespeople

G. Alexander Hamwi

Dissertation
INTRODUCTION

In 2007, Home Depot fired four purchasing agents for their role in a kickback scheme. The vendors received kickbacks totaling over $1 million in exchange for purchasing products from certain foreign vendors. In the subsequent public media backlash, Home Depot claimed that what the purchasing agents did was “not in line with company ethics,” “poor business conduct” and “a violation against our ethical standards.” When salespeople give kickbacks to employees it corrupts fair competition and honest business.

The unique perspective of all the fallout associated with this incident is that there was no public scrutiny of the salespeople who gave the kickbacks. It is generally understood among most sales professionals that kickbacks are considered unethical (Weitz et al. 2007). However, no mention of the salespeople, their companies or their actions can be readily found in the record of public media. It is almost as if they have been given a pass on the entire situation.

The lack of a backlash is interesting. Internally, to sales researchers, ethics has been a major issue for some time (Dean 1997). However, has the general public reached the desensitization level where unethical behavior from salespeople is not only accepted but expected? As ethics has evolved as a profession, it has drawn from a diverse group of disciplines. The problem may be that each discipline has its own way of describing and defining business ethics (Dean 1997). There is minimal agreement among theses disciplines. There are few strong guidelines to govern ethical decision making in business practice. While Dean (1997) calls for uniformed standards as a solution to the problem, a better solution may be for each discipline to discover what causes unethical behavior, and by that rationale how to diminish and possibly eliminate its effects.
Sales is a unique environment compared to other business disciplines. Salespeople are more frequently in a position to both commit and get away with unethical behavior (Weitz et al. 2007). Salespeople have little to no supervision, and frequently do business away from the eyes of the senior members of their organization. This research attempts to unearth what factors cause unethical decision making in salespeople. The hypothesized structural model, shown in Figure 1, predicts that a salesperson’s perceived organizational support and the control system under which they work have an effect on the salesperson’s ethical decision making. Ethical decision making is then hypothesized to influence both a salesperson’s commitment to their organization and their performance in their job. Moderating effects of the salesperson’s personal ethical values are investigated as well.

This research also attempts to answer a call by Piercy et al. (1999) to do research on performance with multiple input variables. According to Challagalla and Shervani (1996), examining the results of a single antecedent variable on performance can be misleading. Effects on exogenous variables tend to be mediated by other variables. Past research has shown direct links between performance and exogenous variables such as perceived organizational support (Rhoades and Eisenberger 2002) and sales force control systems (Piercy et al. 1999. The model proposed in this research positions ethical decision making as a mediator of salesperson performance and its antecedents. The rest of this paper is structured as follows: first, there will be an extensive review of the literature, then the plan of action for gathering and analyzing the data will be discussed. Finally, the current instrument to be used will be attached in the Appendix.

**Ethical Decision Making**
An ethical decision is defined as a decision that is acceptable to a larger community based on its adherence to moral standards of behavior (Jones 1991). Utilitarian decision making implies that an ethical decision is one that achieves the greatest good for the greatest number of people (Robertson and Anderson 1993). In order to make an ethical decision, one must first recognize that the issue at hand is of moral relevance (Jones 1991). Once recognition of a moral issue has occurred, one must decide which course of action is the most ethically sound. Once this moral judgment has been made, one must make a conscious decision to place ethical values above all other personal values and intents. Once an ethical intent has been formed, only then can the person take action that can be considered ethical behavior.

Deciding which course of action to take involves its own four stages process. According to Robertson and Anderson (1993), first, one forecasts the consequences each actionable option will have on the various stakeholder groups involved. Second, one estimates the probability of these outcomes occurring. Third, one evaluates the desirability and/or undesirability of each potential outcome. Finally, one must determine which stakeholder groups are most important. Relevant stakeholders in the ethical decision making of salespeople tend to include the salesperson, the selling firm, the sales manager, the buyer and fellow members of the sales force (Lu et al. 1999). There are many factors that can influence this four step process: social, cultural, economic and organizational factors (Hunt and Vitell 1986); locus of control and job characteristics (Trevino 1986); and even demographic issues (Reynolds 2006). This is because ethical decision making is essentially a function of the interaction between a person and the organizational environment (Verbeke et al. 1996). This interaction changes on a per situation basis, and can even change within situations over time. While a variety of models of ethical decision making have been proposed (Etzioni 1990; Hunt and Vasquez-Parraga 1993), the
majority of research has determined that ethical decision making is utilitarian in nature where salespeople are concerned (Verbeke et al. 1996). In their study of Midwest technology salespeople, Dubinsky et al. (1992) found significant within-group variance on what salespeople view as an ethical situation.

The major question in the field is, ‘How are ethical decisions made?’ More specifically, what factors influence ethical decision making? Trevino (1986) proposed an interactionist model of ethical decision making that views ethical decisions as an interaction of the personal characteristics of the person (or people) making the ethical decision and the situation in which the ethical decision occurs. Ferrell and Gresham (1985) developed a contingency framework that proffered a three-way interaction between personal factors of the person or persons involved, the influence of significant others in the organization and the degree of ease with which one could act unethically without detection and the associated consequences. Hunt and Vitell (1986) suggested an interaction between the degree to which an individual or group focused on the intent of their behavior and the degree to which that same individual or group focused on the outcome of their behavior. The problem with these other models is a severe lack of empirical support, both in a general sense and more specifically in the context of sales (Ford and Richardson 1994). Most of the research in these areas has been non-empirical in nature. This lack of empirically grounded research has, “substantially impeded the development of the field,” (Ford and Richardson 1994, pg. 205).

According to Ferrell et al. (2005), four general interrelated factors derived from the above-mentioned models, as well as other research, influence ethical decision making: 1) the importance of the ethical decision, 2) characteristics of the individual, 3) organizational factors and 4) opportunity. However, as far as sales force ethics is concerned, the work of Seevers et al.
(2007) shows that only two of these factors play a role in influencing ethical decision making: individual characteristics and organizational characteristics. The main takeaway of this discovery is that the unwritten code of “universal moral principles” that are believed to apply to everyone do not apply to decision-making in sales. It is purely a subjective enterprise (Sivadas et al. 2003).

One previously examined individual factor was gender (Dubinsky and Levy 1985). Dubinsky and Levy (1985) used a questionnaire to determine if gender had any effect on the ethical decision making of the retail salespeople at a Midwest company. Results of their study were insignificant. However, Bellizi and Hite (1989) found that gender does influence ethical decision making in sales managers and executives. Dubinsky and Ingram (1984) examined whether or not the type of education salespeople possessed affect the way in which they made ethical decisions. Results were again insignificant. Dubinsky and Ingram (1984) found the same results when they examined if length and/or amount of education played a role. Dubinsky and Gwin (1981) found that type of employment does play a role, as purchasing managers were seen to be considerably less ethical than sales managers and considerably more likely to participate in questionable business practices. These findings were reinforced by Henthorne et al. (1992) study of retail salespeople. Their research found that retail sales managers were much more aware of whether or not a situation involved ethical decisions than the retail salespeople they managed.

Dubinsky and Ingram (1984) also examined whether or not the role stress variables (role conflict and role ambiguity) had any bearing on ethical decision making. Results were insignificant. Tansey et al. (1994) found that a salesperson’s moral philosophy does affect their ethical decision making. Verbeke et al. (1996) found that the personality trait of Machiavellianism also affects ethical decision making. Hegarty and Sims (1978) found that
when unethical decisions, specifically giving kickbacks, led to increased profit, decisions were significantly more unethical that in a non-reward condition. One can infer that when salespeople act unethically, it is because some kind of payoff is expected, be it financial or otherwise.

On the organizational side, Dubinsky and Loken (1989) used the Theory of Reasoned Action to examine the role actors within the organization play in influencing the ethical decision making of a salesperson. Results showed that both direct supervisors and top management influenced ethical decision making, while fellow members of the sales force did not. Dubinsky and Loken also found that subjective norms and attitudes were good predictors of how salespeople would respond in ethical situations. Weeks and Nantel (1992) found that a clearly written code of ethics caused a significant decrease in unethical decision making. Dubinsky and Ingram (1984) found that the degree of competitiveness found both in the culture of a particular sales force and the culture of the organization as a whole played no role in influencing ethical decision making. Trevino (1986) found that the more experience people have with ethical decisions, the more likely they are to act ethically.

**Perceived Organizational Support**

Throughout their work careers, employees look to both the organization for which they work and the individuals within that organization for feedback on a variety of topics such as performance, adherence to social norms of behavior and the general social climate and culture of the organization (Rosen et al. 2006). According to Eisenberger et al. (1986), employees form global beliefs concerning the extent to which the organization feels their contribution is valuable and cares about their well-being. This perception of support by ones organization is influenced by the frequency, extremity and perceived sincerity of praise and approval the organization gives the employee (Blau 1964). This is the same attributional process that people generally use to
infer the commitment to and support of others in social relationships. Other forms of non-verbal praise and approval such as increased pay, promotions, job enrichment and policy influence act as a reinforcing mechanism for the employee’s perception of organizational support (Brinberg and Castell 1982).

Perceived organizational support is also affected by the various ways an organization treats and deals with their employees. This treatment then leads the employee to attempt to determine the motives underlying the organization’s behavior (Eisenberger et al. 1986). Being treated favorably will contribute more to an employee’s perception of organizational support if it is attributed by the employee to be an action performed at the organization’s discretion; rather than one the organization was forced to perform due to external factors (Eisenberger et al. 1986). In addition, things such as the policies and procedures a company has in place and the formal guidance it provides through training programs and seminars can affect an employee’s perception of organizational support (Randall et al. 1999). Yet another way in which a company can show its employees that it supports them is by providing favorable working conditions and rewards for good performance (Rhoades and Eisenberger 2002). Favorable working conditions and rewards signal to employees that the organization does care about them, values their contribution and wants to retain them as members.

Once employees develop an opinion of the organization’s degree of support based on the above mentioned factors, the employee expects that the organization will be consistent in their level of support across a wide variety of situations (Eisenberger et al. 1986). Based on this belief, the employee can predict how the organization will react to such things as taking sick days, errors, improved performance, requests for a raise and/or promotion and the desire for one’s job to be interesting and meaningful. If the employee perceives a high level of support,
s/he would expect that increased effort toward achieving organizational goals would be met with increased reward. This would then cause the employee to bond emotionally with the organization; s/he would identify his/herself as a member of that organization much the same way one identifies themselves as a member of their immediate family (Eisenberger et al. 1986). Employees assume that this support is an assurance that help and assistance will be available when stressful situations need to be dealt with and when one needs some assistance to perform their job effectively.

This type of bond is an affective attachment, in which the employee develops an emotional bond with the organization. The attachment is much stronger than a behavioral attachment, in which employees remain with an organization out of familiarity and habit; or a calculative attachment, in which employees remain with an organization because it is in their best interest to do so (Allen and Meyer 1990). The bond will then cause employees to employ greater effort to meet company goals through both increased attendance and increased performance. This effect has been confirmed in a variety of areas, such as government employees (Buchanan 1974); hospital staff (Hrebiniak 1974); engineers and scientists (Steers 1977); blue-collar workers (Cook and Wall 1980); and oil field employees (Patchen 1960).

At the root of all this is one of the fundamental foundations of marketing: the exchange. Employees exchange effort at their job for the physical and symbolic benefits they associate with superior performance (Mowday et al. 1982). The basis for this is rooted in the norm of reciprocity (Gouldner 1960). The high levels of support employees feel from an organization they perceived as supportive of them cause the employee to feel obligated to return the favor by remaining loyal to the organization and helping it meet its goals. Employees do this through
positive feelings, job attitudes and behavioral intentions toward the organization (Harris et al. 2007).

Essentially, the employee is repaying the organization for its support through increased effort at work and increased commitment to the organization. This loyalty and goal-coordinating behavior would then be expected by the employee to reciprocally reinforce the organization’s support of them and their efforts. Perception of high levels of organizational support also fulfill an employee’s needs for esteem, approval and belonging (Eisenberger et al. 1986). If this experience is emotionally satisfying to employees, they may incorporate their membership in the organization and their role within the organization into their social identity. In addition, perceived organizational support would cause positive experiences within the workplace to bolster an employee’s comfort level and perceived competence concerning the performance of their job duties (Eisenberger et al. 1990). This leads to a more positive overall mood state for the employee. The process at work here is a form of psychological contracting: the relational contract (Gakovic and Tetrick 2003). While its counterpart, the transactional contract, is based solely on economics and tends to be narrow, finite and static; the relational contract, which encompasses the exchange occurring between an employee and his/her organization, has sociological and emotional dimensions and tends to be more dynamic, based on trust and long-term.

However, according to Levinson (1965), it is not the organization as a whole that facilitates an employee’s perception of organization support. It is the actors within the organization. Employees view actions performed by agents of the organization as the action of the organization itself. There tends to be no differentiation made by employees between the organizational whole and its physical parts. Employees actually assign humanlike characteristics
to the organization, perceiving it to be a living, breathing entity (Harris et al. 2007). They view
the organization as caring or uncaring, supportive or unsupportive, and nurturing or unnurturing.

This “personification” of the organization is facilitated by three factors that solidify the
organization-actor linkage in an employee’s mind: 1) the organization has a legal, moral and
financial responsibility for the action of its agents, 2) organizational precedents, traditions,
policies and norms of behavior provide continuity in goals and purpose and also prescribe how
one behaves in their organizational role, and 3) the organization uses its agents to exert power
and control over its employees. Levinson (1965) further warned against misinterpreting the
difference between an employee projecting his/her views of the perceived level of support s/he
receives from actors within the organization outward onto the organization as a whole, which
perceived organizational support is; and an employee projecting his views of the perceived level
of support s/he receives from the organization as a whole inward onto the actors representing the
organization, which perceived organizational support is not. According to Eisenberger et al.
(1986), it is these outwardly projected global beliefs that tend to be most accurate.

Perceived organizational support has been shown to result in desirable organizational
consequences such as superior job performance (Rhoades and Eisenberger 2002) and job
satisfaction (Shanock and Eisenberger 2006). Digging further into the performance aspect,
Eisenberger et al. (1990) found that perceived organizational support also led to increases in both
employee diligence and employee-inspired innovation. It has also been shown to increase
employee commitment to the organization (Fuller et al. 2006); decrease absenteeism
(Eisenberger et al. 1990); lower turnover intentions (Wayne et al. 1997); and reduced feelings of
stress and anxiety (Cropanzano et al. 1997).
In a study done by Shore and Tetrick (1991), the construct validity of the perceived organizational support scale originally developed by Eisenberger et al. (1986) was confirmed. The study found that perceived organizational support was a uniquely different construct than organizational identification. An earlier study by Kottke and Sharafinski (1988) found an insignificant relationship between perceived organizational support and supervisor support, indicating that perceived organizational support does tap into a unique aspect of support in the workplace. Further research by Miles and Tetrick (1993) has found that perceived organizational support plays a mediating role between many human resource related variables and affective organizational commitment.

Perceived organizational support is especially important when dealing with salespeople. Sales people are boundary-spanners, meaning that they are involved in communication and exchange with parties external to their firm. Salespeople play a significant role in determining the success of various marketing efforts because they are the ones charged with bringing value to the customer, which eventually leads to increased profit for the firm (Stan et al. 2004). In competitive environments, salespeople rely heavily on the tools and resources provided by their organization to meet customer needs. Demand then shifts back to the organization to provide the salesperson with the level of support necessary to ensure the salesperson successfully meets customer needs. If an organization is able to do so, it can be a strong source of competitive advantage for that firm (Stan et al. 2004).

Organizations which provide support that is perceived by the salesperson to be sub-par can experience dysfunction in the relationship between the firm and its salespeople (Finn et al. 1996). When a salesperson feels s/he is not getting the level of support needed from their organization, they are likely to seek this support elsewhere. This can result in an exodus of good
salespeople from the firm, raising turnover levels and increasing hiring and training costs (Wetzler et al. 1999). Stan et al. (2004) found that as the level of two-way communication between the organization and a salesperson is directly related to both the salesperson’s perception of the quality of the organizational support and the salesperson’s satisfaction with the support provided by the organization.

**Perceived Organizational Support and Ethical Decision Making**

In their study of pharmaceutical sales representatives, Moideenkutty et al. (2006) found that increased levels of perceived organizational support led to high occurrences of organizational citizenship behavior. Organizational citizenship behavior can be defined as a, “non-required, discretionary behavior that promotes the effective functioning of an organization,” (Organ and Ryan 1995, pg. 776). They also found that organizational citizenship behavior is related to the general state of morale in the workplace, with this morale being formed by the attitudes of the sales force. According to their meta-analysis, Organ and Ryan (1995) list ethical behavior, and by that rationale ethical decision making, as a behavior that falls under the organizational citizenship umbrella.

According to Organ (1988, 1990), when the relationships between employees and their organizations move from economic, or transactional, to social, or relational, the likelihood that the employees will engage in organizational citizenship behavior increases significantly. This phenomenon, much like the perception of organizational support, is governed by the norm of reciprocity (Gouldner 1960) as well. According to Eisenberger et al. (1990, pg. 568), “perceived organizational support promotes the definition of the employment relationship in terms of social exchange, leading to feeling of obligation on the part of employees to reciprocate by engaging in organizational citizenship behaviors.” Their study found a direct, positive link between
perceived organizational support and organizational citizenship behavior. A number of studies have reinforced these findings (Settoon et al. 1996; Wayne et al. 1997; Moorman et al. 1998; Lambert 2000).

Jones and Hiltebeitel (1995) found, in their study of accountants, that the ethical decision making process is directly influenced by the degree of perceived organizational support inferred by the accountants. In other words, the more the accountants perceived that their firm supported them, the more ethics played a role in the decision making process of said accountants. The same results were found in a similar study by Petrick et al. (1991), in their study of managers at Fortune 500 firms. The authors concluded that sound ethical decisions occurred more frequently in a work environment perceived as supportive.

According to Lewis (1989, pg. 274), “business people will make ethically correct decisions if the environment is supportive of ethical behavior.” One’s ethical decision making process is in fact influenced by the culture of support in the organizational environment. According to Gilligan et al. (1988), one’s ethical values and process of making ethical decision is constantly evolving and changing well into adulthood. The influences of outside peers and peer groups, especially those viewed as superiors, can have a significant influence on how one’s ethical views take shape and/or change. According to Reidenbach and Robin (1991), organizations can help improve the ethical decision making of their employees by providing them with support, both specifically in the area of concern and in general. According to Grisaffe and Jaramillo (2007), the highest level of ethical behavior is only reachable when a salesperson has the support of his organization. Further, Grisaffe and Jaramillo found that there was a significant, positive correlation between perceived organizational support and the level of ethical decision making in salespeople.
Hypothesis 1: As a salesperson’s perception of organizational support increases, the ethical level of the salesperson’s decision making will increase.

Sales Force Control System

A control system is how an organization oversees their sales force (Anderson and Oliver 1987). Control systems can be used for monitoring, directing, evaluating and compensating salespeople working for the firm. Control systems are intended to influence behavior, preferably for the good of both the salesperson and the firm.

There are two types of sales force control systems. The first is the outcome-based control system. In the outcome-based system, management has little to no involvement in the monitoring of the behavior and action of their salespeople. Management also provides very little direction to salespeople on how they are expected to perform the duties of their job. The outcome-based system focuses solely on results. There is less concern given to by what methods those results were achieved. Put simply, the organization puts less of an emphasis on how a salesperson achieved his/her expected outcomes, just so long as s/he does achieve them. This is how salespeople are compensated in an outcome-based control system: on strict objective analysis of one’s results.

To borrow from the channels literature, outcome-based control systems function much like market contracts (Basu et al. 1985). Organizations expect deliverables, in the form of outcomes, and salespeople are left to achieve these deliverables by whatever means they see fit, within reason. It is essentially the pressures of the marketplace that then guide the behavior of salespeople. The salesperson becomes an independent business owner of sorts, s/he is responsible for his/her own success, and can use any methods s/he thinks will be effective to bring this success to fruition. There is increased risk for the salesperson in that non-performers
are not compensated, but also increased reward (Churchill et al. 1985). Compensation is easy to
determine because it is based on some quantifiable measure of performance such as sales volume
or net profit.

The philosophy behind an outcome-based control system is that sales is an independent
function. Outcome-based control systems are the path of less resistance. Supervision is limited
because salespeople spend a lot of time away from their organization’s physical location. There
is no magic bullet in sales. What generates success for one person may not for another; or what
works in one situation may not work in another. There is no global standard as to what makes
one salesperson more effective than another (Weitz 1981). The input-output relationship is fluid
and dynamic, rather than static (Ouchi and McGuire 1975). Sales can be a very discouraging
line of employment; the outcome based control system helps maintain motivation (Cravens et al.
1993).

There are some problems with outcome-based control systems, however. The lower level
of oversight by management can allow the salesperson to engage in behaviors that can be
harmful to the organization (Smyth 1968). Along the same line, since outcome-based control
systems focus on results, salespeople may lean toward focusing on behaviors and strategies that
result in short-term payoffs, which may harm their efforts to build long-term relationships with
their customers (John and Weitz 1984).

On the other side of the coin is the behavior-based control system. In behavior-based
control systems, there is considerable monitoring of both the behaviors and results of
salespeople. Management becomes heavily involved providing guidance for salespeople, and
does a considerable amount of intervening into the actions of salespeople when they feel that the
salespeople’s’ behaviors are incorrect and will not lead to desired outcomes. Behavior-based control is much more detailed and fluid.

A behavior-based control system is not as concerned with outcomes, but more concerned with a) what skills and abilities a salesperson brings to the job, such as aptitude for sales and product/service expertise, b) output levels, such as how many sales calls is the salesperson making in a specified amount of time, and c) what strategies the salesperson is using to achieve success. It is these factors that are used to evaluate and reward the salesperson because, in a nutshell, behavior-based control systems are not concerned with outcomes (Anderson and Oliver 1987). The practitioners of behavior-based control systems believe that if salespeople perform the right behaviors, adopt the proper strategies and have the work ethic to make the proper volume of sales calls; the end results should be the positive outcomes for which the organization was looking.

Behavior-based control systems are essentially the opposite of market contracting. It is not the external pressure of the marketplace that guides salesperson behavior, but the internal pressure from managers and other sources of authority within the organization. Risk is assumed by the organization, and the level of reward is fixed because, unlike an outcome-based control system which typically compensates salespeople through some kind of commission structure, a behavior-based control system typically compensates salespeople through some kind of fixed salary arrangement (Churchill et al. 1985). As long as salespeople are exhibiting the behaviors, habits and effort required by management there is no reason to assume that the outcomes from these actions would be anything other than what the organization desires; and the organization should feel comfortable continuing to reward the salespeople for their actions.
The strategy underlying a behavior-based control system is the degree of control it provides over salespeople. The organization, through management, can impose on the salesperson the ideas, practices and strategies they believe will lead to success. Further, there is no need to convince the salespeople that these ideas, strategies and practices are valid due to the fixed salary compensation. The salesperson is rewarded for behaving in the way which management desires; outcomes do not matter as much, and the firm assumes more of the risk (Ryans and Weinberg 1979).

Behavior-based control systems have their share of problems as well. Evaluation is very difficult. Successful behaviors are very subjective, and managers can never be sure what behaviors can lead to success (Behrman and Perreault 1982). Also, salespeople who achieve outcomes desirable to the organization, perhaps even on a scale higher than their colleagues, end up being undervalued and/or underpaid if their path to success differs from the plans management has laid out for the salespeople in the organization (Challagalla and Shervani 1996).

Now it is important to note that it is rare for an organization to control their sales force by using a system that is completely behavioral or outcome-based (Cravens et al. 1993). The choice of control system is not an either/or proposition. In reality, it functions more like a continuum, where an organization and its management make a choice as to how much of each control system type they want to incorporate into their sales management philosophy Anderson and Oliver (1994). While the control system an organization choose is never completely outcome or behavior-based, most control systems tend to lean strongly in one direction or another (Oliver and Anderson 1995).

Sales Force Control System and Ethical Decision Making
Decisions about ethical issues in business are often made using a cost-benefit paradigm (Bellizi and Hite 1989). Actors weigh the potential risks and rewards associated with each ethical decision, and then proceed accordingly. The issue at hand is whether or not the opportunity is available to act unethically (Robertson and Anderson 1993). The existence of opportunities to act unethically can communicate to a salesperson that the risk associated with getting caught is reduced (Ferrell and Gresham 1985). It can also communicate that the organization is giving their “unspoken” approval of the behavior because the results may benefit the firm (Zey-Ferrell and Ferrell 1982). Research has also shown that the opportunity to act unethically is predictive of unethical behavior. Research has found that when the opportunity is present, the likelihood of observing unethical behavior increases significantly (Zey-Ferrell and Ferrell 1982; Ferrell and Gresham 1985).

A totally outcome-based control systems can suggest to a salesperson that unethical behavior is acceptable (Robertson and Anderson 1993). Since the organization is concerned with the outcomes, and not the means through which the outcomes are achieved, salespeople may infer that the benefits associated with acting unethically are high and the risk, at least at the firm level, is low. Because salespeople under an outcome-based control system operate independently with significantly less supervision, they often never develop a deep sense of loyalty or strong commitment to the organization (Etzioni 1961).

Research by Oliver and Anderson (1994) shows that commitment decreases in an outcome-based controlled sales force. Many firms do not make the effort to socialize salespeople to the goals of the organization; the result being that salespeople may become opportunistic, even at the expense of the organization (Dunfee and Robertson 1984). Sales people feel that they are looking out for themselves, and that the firm only cares about them so
long as they generate revenue. If opportunities to benefit themselves by taking advantage of the organization arise, salespeople in an outcome-based control situation are much more likely to do so. This effect has been seen in industrial sales people (Anderson 1988) and marketing managers (Hunt et al. 1989). Sales forces working on a commission-based compensation plan, which is the norm for outcome-based control systems, typically develop what Victor and Cullen (1988) call instrumental ethical climates. These climates are defined by salespeople who are only seeking to benefit themselves and/or a culture where salespeople are expected to do whatever it takes to further the company’s interests.

Behavior-based control systems tend to operate in the other side of the spectrum. The risk of one’s unethical behavior being detected is much higher in this type of control system, mainly due to the significantly increased presence of guidance and monitoring by management (John and Weitz 1989). Since the risk in a behavior-based control system is assumed mostly by the organization, salespeople tend to develop more loyalty and commitment to their firm (Oliver and Anderson 1994). This naturally reduces incidents of unethical behavior because the salesperson identifies with the organization, cares about its well-being, and would not do anything to harm it. The benefits of acting unethically are greatly reduced in a behavior-based control system since employees are paid a fixed salary, and their compensation is not tied to performance. Managers can take things a step further to ensure salespeople behave ethically by explicitly outlawing unethical sales practices in the policies and procedures of the organization (Verbeke et al. 1996). By the same rationale they can also specifically include practices that are in compliance with what is considered ethical.
Hypothesis 2: A salesperson being governed by a behavior-based sales force control system will make more ethical decisions than a salesperson that is governed by an outcome-based sales force control system.

Salesperson’s Ethical Values

Salesperson’s ethical values is a newly developed construct (Amyx 2008) that so far has only been examined in one paper, which dealt with scale development. The salesperson’s ethical values construct is an extension and adaptation of Hunt et al. (1989) corporate ethical values measure. The original Hunt et al. scale was designed to measure an employee’s perception of the ethical occurrences in an organization. The value in the scale was expressed through its ability to measure one’s ethical values through their actions. However, Amyx (2008) believe that the corporate ethical values construct can be expanded to examine salespeople’s self perceptions about their own ethical beliefs, as derived from their actions in comparison to the actions of others.

According to Hunt and Vitell (1986), personal characteristics such as one’s personal ethical values can influence ethical decision making. These actions could include actual behaviors, associations made between ethics and success, willingness to tolerate the unethical behaviors of others and the way in which one is punished for unethical behaviors. The assessment of these actions, and therefore ones ethical values, are made in comparison to other actors, such as one’s manager, co-workers, customers, and/or the organization itself. Wotruba (1990) found that one’s ethical decision making is influenced by customers, peers, supervisors and the organization itself.

The measure of salesperson’s ethical values can be broken down into five dimensions (Amyx 2008). The first dimension is general ethical behaviors. This dimension is designed to
measure the ethical behaviors of salespeople toward both the customer and the company. The second dimension is an examination of the relationship between ethics and success. It captures the degree to which salespeople are willing to compromise their ethics in relation to either the customer and/or the company to facilitate success. The third dimension is a measure of how tolerant the organization is of a salesperson’s unethical behaviors toward the company and/or their customers. The fourth dimension looks at how salespeople are punished for unethical behaviors committed for personal gain. The fifth and final dimension represents how salespeople are punished for committing unethical acts with the intention of corporate gain.

Salesperson’s Ethical Values and Ethical Decision Making

A salesperson who feels that the organization for which they work treats them fairly is more likely to both develop and demonstrate more ethical values (Trevino et al. 1999). The belief that one’s organization treats them fairly is one of the foundations on which a salesperson’s perception of organizational support is formed (Eisenberger et al. 1986). Salesperson’s ethical values has also been found to have a positive association with organizational citizenship behaviors (Amyx 2008). Ryan (2001) also found that organizational citizenship behavior leads to ethical behavior. Turnipseed (2002) found that individuals who commit organizational citizenship behaviors tend to be considered “more ethical.” The commission of organizational citizenship behaviors indicates a concern for the welfare of other actors in the organization and/or the organization as a whole (Witt 1991).

Some aspects of ethical climates, specifically the ethical criterion of benevolence and/or a local locus of analysis, are defined by a concern for one’s company and/or the actors within it (Cullen et al. 1993). The commission of organizational citizenship behaviors can also indicate that a salesperson perceives support by their organization. As discussed earlier, the norm of
reciprocity (Gouldner 1960) would dictate that the perception of support would cause the salesperson to be obligated to return the support to the organization. One way in which this can be done is through organizational citizenship behaviors (Harris et al. 2007).

The antecedent variables necessary to positively influence a salesperson’s ethical values are either the same or similar to the antecedent variables necessary to positively influence the independent measures in the model being studied by this research. The presence of these variables and the influence they have on both the independent constructs in the model and salesperson’s ethical values indicates that the assumption that salesperson’s ethical values act as a moderator that reinforces the relationship ethical decision making has with both behavior-based control systems and perceived organizational support is a valid one. By that rationale, one could also assume that on the other side of the coin would be a valid assumption as well. If in the presence of an unsupportive organization and an outcome-based sales force control system a salesperson is still able to maintain a positive set of ethical values, the positive salesperson ethical values should weaken the negative effect that the independent constructs in the model have on ethical decision making. The salesperson will be more willing to stick to their principles and not be affected by the negative influences around their workplace.

*Hypothesis 3A: As a salesperson’s ethical values become more positive, the relationship between a positive perception of perceived organizational support and ethical decision making will strengthen; conversely, the relationship between a negative perception of perceived organizational support and ethical decision making will weaken.*

*Hypothesis 3B: As a salesperson’s ethical values become more positive, the relationship between a more behavior-based sales force control system and ethical decision making*
will strengthen; conversely, the relationship between a more outcome-based control system and ethical decision making will weaken.

Affective Organizational Commitment

Affective organizational commitment is a measure of the level of loyalty an individual feels toward his/her organization; and is focused on an individual level, emphasizing the level to which an employee identifies with and is involved in an organization (Porter et al. 1974). According to Allen and Meyer (1990), employees with a high level of affective organizational commitment stay with an organization because they want to; as opposed to normative commitment, where employees stay with an organization because they feel obligated to; or calculative commitment, where employees stay committed to an organization because it is in their best interests to do so for whatever reason, financial or otherwise. Calculative commitment is based on the concept of exchange between an individual and both the organization and the actors within the organization (March and Simon 1958). Employees take into account the sunk costs of personal time and resources they have already invested into the relationship with the organization, as well as the switching costs associated with moving to another organization for employment (Morrow 1993).

Affective organizational commitment is one of the most important variables for sales researchers to study (Amyx and Alford 2005). Affective organizational commitment is a measure of how connected or unconnected a salesperson feels with their organization. The presence of affective organizational commitment indicates that there is a significant degree of trust between a salesperson and both his/her organization and the actors within the organization. Chonko (1986) posited that affective organizational commitment could be inferred when three phenomena were present: 1) the salesperson made personal sacrifices for the good of the
Affective organizational commitment can also act as a motivator for salespeople in the absence of other driving forces (Scholl 1981). Salespeople perform their job functions with the expectation that they will be rewarded in various ways in return. If these rewards are no longer present and/or obtainable, the salesperson has no further motivation to continue to perform his/her job functions in pursuit of these rewards. The presence of affective organizational commitment can be a motivating factor to drive the salesperson to perform their job functions even in the face of reward uncertainty.

Further implications of affective organizational commitment include a salesperson’s propensity to leave an organization. Salespeople were found to have higher overall levels of affective organizational commitment than other professional and non-professional employees (Michaels et al. 1988). Affective organizational commitment is more important for jobs that are complex, self-starting and have a high correlation between effort and performance (Pierce and Dunham 1987). Sales jobs fit this profile (Sager and Johnston 1987). A high level of affective organizational commitment among a sales force could lead to significantly lower levels of turnover (Johnston et al. 1987; Amyx and Alford 2005).

Affective organizational commitment is an attitudinal variable that is defined by the strength of a salesperson’s identification and involvement with their organization. When a salesperson is committed to their organization, they accept that organization’s values, are willing to go the extra mile in order to procure positive outcomes for the organization and have a strong desire to remain a member of the organization (Porter et al. 1974). The desire to stay part of an organization remains even in the face of an opportunity to switch employers (Hunt et al. 1985).
When a salesperson is committed to an organization, s/he perceives that a bond exists between themselves and both the organization and the actors within the organization (Mathieu and Zajac 1990).

Watson and Papamarcos (2002) found that the quality of communication between a salesperson and his/her organization has a significant effect on affective organizational commitment. The study also found that a higher level of interpersonal trust among actors in an organization would lead to a significant increase in affective organizational commitment among the actors. A third finding was that the way in which organizational actors perceive the norms of an organization can have a direct influence on affective organizational commitment. Salancik (1977) found that any aspect of a salesperson’s job that reduces the responsibility a salesperson feels toward their organization will result in significantly lower levels of affective organizational commitment. Engaging in unethical decision making can be an indicator that a salesperson has lowered levels of felt responsibility.

**Ethical Decision Making and Affective Organizational Commitment**

Hunt et al. (1989) found that ethical values led to increased levels of affective organizational commitment. As a salesperson becomes socialized into the ethical climate of his/her sales force, affective organizational commitment increases (Hunt et al. 1985). Actors in an organization interpret the meanings of various encounters they have with each other. The more they begin to understand the inner workings of the organizations social environment the more they begin to feel comfortable and at home, leading to increased commitment. The ethical and/or unethical decisions a salesperson makes are based on how the salesperson interprets the organizational climate in which their sales force operates.
Valentine et al. (2002) found that when a salesperson perceives an organization’s cultural values to be ethical, the salesperson will display significantly higher levels of affective organizational commitment than in a case where a salesperson perceives an organization’s cultural values to be unethical. Most employees prefer an environment where they are not pressured to do things that are incongruent with their ethical beliefs and attitudes. Sims and Kroeck (1994) found that this link holds in their study of hospital employees. Schwepker (1999) found that it held true for business-to-business salespeople as well. Kelley and Dorsch (1991) found that ethical climates, in which most decision making tends to be ethical, are related to raised levels of affective organizational commitment; unethical climates, in which most of the decision making tends to lack ethics, were found to be associated to lowered levels of affective organizational commitment.

Salespeople often operate independently in the field with little guidance and/or monitoring from management. In these situations, salespeople often look to the organization and its culture for guidance on how to make decisions in ethical situations (Dubinsky et al. 1992). Ethical climate tends to guide the way in which ethical decisions are made (Kelley et al. 1989; Singhapakdi and Vitell 1991). When salespeople are guided to make decisions in an ethical manner, they become more affectively committed to the organization (Weeks et al. 2004). Trevino (1986) found that lack of ethical guidance, such as written codes of conduct, led to significantly reduced levels of affective organizational commitment. A lack of guidance can lead to increased unethical decision making. The study also found that when salespeople witness their peers behaving unethically without negative consequences, it leads to lowered levels of affective organizational commitment. Trevino et al. (1998) found that when a salesperson
perceives an organization as actively discouraging unethical conduct and/or actively encouraging ethical conduct his/her level of affective organizational commitment increased.

*Hypothesis 4: Salespeople that make decisions ethically will have significantly higher levels of affective organizational commitment than salespeople that make decisions unethically.*

**Salesperson Performance**

Currently there are two conceptual perspectives of salesperson performance: the expectancy framework of Walker et al. (1977) and the contingency perspective of Weitz (1981). In their framework, Walker et al. (1977) proffer that there are five key predictors of salesperson performance: 1) personal, organizational and environmental factors, 2) motivation, 3) aptitude, 4) skill level and 5) role perceptions. According to Walker et al. (1977, pg. 33), performance is defined as “behavior that has been evaluated in terms of its contribution to the goals of an organization.” This definition holds within it a comparative aspect in that whether a behavior is good or bad is determined by how it related to the company’s objectives and goals.

Two major criticisms of the Walker et al. model was that it a) did not consider salesperson behaviors as a determining factor in salesperson performance and b) it attempted to apply its framework across all sales interaction (Plank and Reid 1994). In their meta-analysis of articles that could be examined within the Walker et al. framework, Churchill et al. (1985) found that across 116 articles the relationships between the five antecedents and sales performance were comparatively low. Avila et al. (1988) modified the Walker et al. model to include sales behaviors and found that sales behaviors were indeed predictive of sales performance.

Weitz (1981) presented a different take, the contingency perspective. This perspective argues that sales behaviors are an important determinant of effectiveness as a salesperson.
However, the effectiveness of these behaviors was contingent on other factors surrounding the buyer-seller interaction. Weitz felt that previous work on sales performance, such as the expectancy framework of Walker et al. (1977), attempted to generalize over too wide a variety of sales interactions. Most sales situations are difficult to define and therefore cannot have an overarching framework applied to them. In the Weitz model, selling behaviors predict salesperson effectiveness, but are moderated by the characteristics of the salesperson-customer relationship, the resources available to the salesperson and the characteristics of the customer’s buying task.

According to Weitz, there are four behaviors that impact a salesperson’s performance: 1) their ability to adapt to the unique needs and wants of each individual customer, 2) their ability to establish a base of influence, 3) their ability to successfully use influence techniques and 4) the degree to which they control the sales interaction. As mentioned before, however, the effects these behaviors have on determining performance are contingent on other factors. The resources available to the sales person can make a difference. The amount of product and customer knowledge possessed by a salesperson, the level of development of their analytical and interpersonal skills and the availability of alternatives to the buyer all play a role in determining how the aforementioned sales behaviors will predict performance.

The characteristics of the customer’s buying task also play a role. Customers have varying needs and beliefs, differing degrees of knowledge concerning the alternatives available to them and differences in the buying task itself concerning whether this is a new task, modified rebuy or straight rebuy. The characteristics of the relationship also play a role. Is the relationship mainly characterized by conflict, or are both parties willing to bargain? How much power does the salesperson hold in the relationship relative to the buyer? Other factors that play
a role are the quality of the relationship and whether or not the two parties anticipate doing business in the future. This framework was expanded by Weitz et al. (1986) to include motivation and general sales-related knowledge.

Research into the affect of behaviors on sales performance is quite limited (Plank and Reid 1994). Spiro and Weitz (1990) found that adaptive behavior does affect sales performance. Leigh and McGraw (1989) found differences in the behaviors of high and low performing salespeople. Sujan et al. (1986) found that more effective salespeople had significantly less variance in their behaviors than less effective salespeople. This is reinforced by the Behrman and Perreault (1984) finding that sales representatives with more experience perform better. Those with more experience have learned what behaviors lead to success and which do not, and have focused on, streamlined and improved on those behaviors. The predictive role of sales behaviors can be further evidenced through an examination of the course of scale development concerning the salesperson performance construct. The original salesperson performance measure was developed by Behrman and Perreault (1982). A study by Lagace and Howe (1988) found that while the scale was a good instrument for measuring the performance of industrial, or business-to-business, salespeople; its effectiveness was in question where retail salespeople were concerned. This led to the development of the Bush et al. (1990) scale for the measurement of retail salespeople specifically. The underlying reason for this was the vast difference between the behaviors that led to success for industrial salespeople and the behaviors that led to success for retail sales people (Bush et al. 1990)

**Ethical Decision Making and Salesperson Performance**

Performance is a key outcome of ethical decision making (Wotruba 1990). Performance is what determines success and the associated accoutrements that come with success: bonuses
and raises, rewards, recognition and/or status and promotions. These accoutrements tend to be powerful motivators. Fritzsche (1988) found that as the potential negative outcomes increased, the unethical actions undertaken by sales managers showed an inversely proportional decrease. According to Jansen and Von Glinow (1985), there is no better way to explain one’s ethical decision making process than in relation to performance.

In their examination of the two alternative perspectives on performance put forth by Walker et al. and Weitz, Plank and Reid (1994) proposed a third perspective: sales behaviors mediate the relationship between antecedent variables such as job characteristics and performance. This was reinforced by Piercy et al. (1999), who found that a salesperson’s behavioral performance is predictive of their outcome performance. Put simply the way in which a salesperson does their job is predictive of their objective success. The way in which a salesperson makes decisions (ethically or unethically) can be characterized as salesperson behavior. Wotruba (1990) listed job performance as one of the three major outcomes of his salesperson ethical decision/action framework.

An interesting finding of a study by Chonko and Hunt (1985) was that while sales managers do not relate unethical decision making to increased sales performance on a general level, they are more likely to believe that successful salespeople specifically engage in unethical decision making. On the corporate level, Verschoor (1998) found that organizations with well-defined ethical codes of conduct had significantly higher levels of financial performance. Wu (2002) studied Taiwanese salespeople and found a direct link between the ethical decision making of individual salespeople and overall organizational sales performance. Salespeople who better understood their organization’s code of ethics and principles of behavior were more successful than salespeople who did not (Weeks and Nantel 1992). A study of pediatricians
showed that those with better moral judgment had significantly higher clinical performance ratings (Sheehan et al. 1980).

It is well documented that the key to success in sales is building long-term relationships (Weitz et al. 2007). It is also well documented that the key to building a long-term relationship is developing a strong degree of mutual trust with one’s business partner. Buyers do significantly less business with salespeople they do not trust (Bingham and Dion 1991). Hawes et al. (1989) found that salespeople who exhibited at least one form of ethical behavior were significantly more successful at developing trust-based relationship with their customers.

_Hypothesis 5: Salespeople who make decisions ethically will have a significantly higher level of performance than salespeople who make decisions unethically._

**Theory of Planned Behavior**

Before one can discuss the theory of planned behavior, one must explain its predecessor, the theory of reasoned action. The theory of reasoned action was developed by Fishbein and Azjen (1975); it offers a simple explanation of behavior. The stronger one’s intention (and/or motivation) to engage in a behavior, the greater the likelihood of that behavior taking place. Intentions capture the motivational aspect of behavioral influence (Azjen and Fishbein 1980). Intentions are an indicator of effort. The stronger the intention to perform a behavior, the harder one is willing to try in order to achieve that behavior. Intentions are based on two dimensions: one’s attitude toward a behavior and subjective norms, beliefs about the attitudes others have towards the behavior.

If a person both expects a positive results to occur from their behavior and feels that other actors of importance would approve of and/or encourage the behavior, positive intentions are the likely result. Multiple individual beliefs about a behavior combine to form an overall attitude.
toward an act. Intention to act is also a function of one’s subjective norms. The beliefs one has about the attitudes of important others toward the performance of the behavior plays a significant role in determining motivation. The normative beliefs about the attitudes of each important individual or group combine to form one’s overall subjective norms toward a behavior as well. Attitudes and subjective norms influence one’s intentions to act. Intentions are a direct antecedent of behavior (Azjen 1985).

The researchers’ however, sensed that something was missing. Every behavioral intention is a goal where achievement has some degree of uncertainty attached to it (Azjen 1985). Barriers to performance could be lack of the necessary skills and abilities required to perform the behavior, a lack of information, diminished or missing resources and internal drive to perform the behavior. Even the most routinized, simple behaviors have some degree of external control associated with them (Azjen and Madden 1986). Each person has a belief concerning how easy or difficult performing that particular behavior would be considering the obstacles to actual performance. In conclusion, one’s intention to act is influenced by their attitude toward performing the behavior, how they believe important referents feel about performing the behavior and the amount of control they perceive themselves to have concerning the performance of the behavior. One’s intention to act then determines whether or not the actual behavior is performed. The amount of perceived control also has a direct effect on the actual performance of the behavior.

When a salesperson intends to act unethically, there are three ways in which they can be influenced. First, the salesperson will consider what other important actors in his work community would think about him/her performing the behavior. This relates to the theory of planned behavior construct of subjective norms. Second, the salesperson’s attitudes might play a
role. The salesperson may develop certain internal attitudes toward the behavior based on various job characteristics, for example the perceived level of support the salesperson gets from their organization. Finally, the salesperson will consider how much control s/he perceived his/herself to have over the intended action. If the sales force uses an outcome-based control system, behaviors are not regulated, results are the only concern. If the sales force is using a behavior-based control system, however, behaviors are monitored and controlled to a much higher degree than in an outcome-based system.

The three abovementioned factors directly influence a salesperson’s intentions to participate in ethical/unethical decision making. These intentions then directly influence the actual commission of the behavior. Also, the type of control system the sales force uses will have a direct impact on whether or not the behavior is performed as well.

The theory of planned behavior has been used to explain phenomena in both the areas of ethics and sales. The theory of planned behavior has been used to examine the relationships between a commission-style pay structure and a salesperson’s ethical intent toward a client (Kurland 1996). Buchan (2005) used the theory of planned behavior to explain the ethical decision making process of accountants. Spitzmuller and Stanton (2006) used the theory of planned behavior to examine the ethical decision making of employees in the face of monitoring and surveillance technologies. Finally, Chang (1998) used the theory of planned behavior to explain unethical behavior in general. A synopsis of the theory of planned behavior is presented in Figure 2.

**METHODOLOGY**

*Study Design*
This study was conducted in two parts. First, a structural model was developed and tested. Second, an experiment was conducted. An ethical scenario with multiple variables was distributed to salespeople, and their responses were tested using ANOVA.

**Structural Model**

**Sample**

A sample of 550 business-to-business salespeople was collected through use of an online panel. After eliminating 123 respondents for either incomplete data or not fitting with the criteria of the study (e.g. some were actually small business owners and some performed multiple functions at the firm which they worked), 427 usable responses remained for a response rate of 77.6%. While some panel data has issues with what are referred to as “professional respondents” (those who randomly mark answers quickly to finish the survey as quickly as possible), the survey company had checks in place in its survey software the pre-screened out any subject that spent less then 30 seconds on any section of the survey and/or had the same answer for 15 or more items in a row. The response rate is abnormally high where traditional data is concerned, but panel data companies tend to guarantee usage rates of about 75%.

According to Armstrong and Overton (1977), assessment of non-response bias is not necessary in samples which have a non-response rate under 30%.

According to the taxonomy of sales positions developed by Moncrief et al. (2006), the salespeople participating in this study can be classified as either a consultative seller or a new business/channel development seller. A consultative seller is one who does well in the relationship selling aspects of sales. Consultative sellers nurture existing customers and focus a lot on product support and promotional activities. The new business/channel development seller is one who focuses on finding and developing new clients. New business/channel development
sellers tend to be involved in a lot of supply chain management functions, as well as aspects of training within their firm. Salespeople in the study had a mean age of approximately 42, and had an average of approximately 21 years of work experience. The average salary/average yearly commission without bonuses was $40,010. 46% of the respondents had only completed high school, 48% had completed an undergraduate degree and 2% held either a master’s or doctoral degree. Respondents were 53% male.

Measures

All constructs in this study were measured using versions of scales previously published in highly-regarded peer reviewed academic journals, and all scales meet the Cronbach’s alpha reliability requirements set forth by Nunally (1978). Ethical decision making was assessed using 11 items developed by Robertson and Anderson (1993), and had an alpha reliability of .777. This instrument uses ethical scenarios that relate to salespeople, but is measured in a way that produces Likert-type scale results. Perceived organizational support was measured using an 8 item scale developed by Rhoades and Eisenberger (2002), and had an alpha reliability of .961. Sales force control system was measured using a 13 item scale from Panagopoulos and Avlonitis (2008), who modified the Babakus et al. (1996) measure, and has an alpha reliability of .929. Salesperson’s ethical values were measured using a scale designed by Amyx et al. (2008), and had an alpha reliability of .761. Affective organizational commitment was assessed using a 7 item scale developed by Allen and Meyer (1990), and has an alpha reliability of .929. Salesperson performance was measured using a 7 item scale from Behrman and Perreault (1982), and has an alpha reliability of .912. All reliabilities and construct correlations can be found in Table 1. Appendix A contains all survey items.

Measurement Model
Data was analyzed using both LISREL 8.80 and SPSS 17.0. First, a confirmatory factor analysis was done by creating a measurement model in LISREL 8.80. The measurement model assesses how well the observed items measure the latent constructs to which they are related. The results of the measurement model indicate strong fit, as per the guidelines set forth by Hu and Bentler (1999). Chi-square for the measurement model is 1420.59 with 1055 degrees of freedom ($p = .00$). The standardized root mean square residual (SRMR) was .061, the root mean square error of approximation (RMSEA) was .038 and the comparative fit index (CFI) was .99. This indicates that the observed items do a very good job of measuring the latent constructs. To assess convergent and discriminant validity, the methods recommended by Hair et al. (2006) were used. To test for convergent validity, the variance extracted estimates for each construct should be over .5. The average variance extracted (AVE) for perceived organizational support is .66. The AVE for sales force control system is .51. The AVE for affective organizational commitment is .67. The AVE for salesperson performance is .60. The AVE for ethical decision making is .26.

While the AVE for the ethical construct instrument is below the AVE cutoff of .5, this is to be expected. Miyazaki and Taylor (2008) found that when subjects are involved in research on ethics, specifically business ethics, subject responses tend to be biased toward being more ethical. This was shown to occur whether the experimenters were using survey, experimental or qualitative methodology. This bias is caused by the presence of researchers in the study. Knowledge of the fact that their responses would be made available to someone at sometime, regardless of anonymity, influences the biased responses. Subjects become concerned with how they appear and how they will be perceived. People tend to prefer to maintain a positive image
of themselves, both internally toward themselves and externally toward others (Hung and Wyer 2009).

This study was originally planned to have dyadic data. Unfortunately, dyadic data proved both cost and time prohibitive to collect within the framework of this study. Instead, panel data was used. The one problem with panel data is all constructs are reported by the salespeople themselves. This can cause issues of common method bias (Podsakoff et al. 2003). In order to test if common method bias is an issue, two tests were run. The first test was Harman’s single factor test. This test is conducted by creating an unrotated principal components experimental factor analysis to determine if there is one overall factor that is contributing to the majority of variance in the study, or if the constructs breakdown into several components. The results show that the data can be broken down into seven distinct factors. The reason there are seven factors when there are only six constructs in the study is most likely due to the fact that the 11 item ethical decision making instrument has 5 negatively worded items and 6 positively worded items. This may indicate that there are two separate dimensions within the ethical decision making construct. The second test involves comparing two confirmatory factor analyses in LISREL 8.80. The first confirmatory factor analysis is the measurement model for the study, the second factor analysis forces all of the items to load on one construct. The models are then compared through a chi-square difference test. If the original model has significantly better fit than the one factor model, common method bias is not an issue. The resulting difference test had a chi-square of 8933.31 with 25 degrees of freedom ($p = .00$). This again indicates that common method bias is not an issue.

*Hypothesized Structural Model*
The proposed structural model was tested in LISREL 8.80. The resulting model had a chi-square of 2407.02 with 1070 degrees of freedom (p = .00). The structural model did not meet Hu and Bentler’s (1999) criteria for good fit. While RMSEA and CFI were in line (.06 and .96 respectively, SRMR was .20. This indicates that while the factors are loading correctly and measurement is solid, the structural relationships proffered in the model are probably not the best indication of the relationships among the constructs in the model.

Examining the individual relationships within the model, H1 was supported (t = 3.39) as perceived organizational support did positively influence ethical decision making. H2 was also supported (t = 3.09), as a more behavioral sales force control system was shown to positively influence ethical decision making as well. H3A and H3B were both supported (t = 2.20 and t = 3.51 respectively), indicating that a) as a salesperson’s ethical values increase, the relationship between perceived organizational support and ethical decision making grows stronger; and b) as a salesperson’s ethical values increase, the relationship between a behavioral sales force control system and ethical decision making. H4 was also supported (t = 1.96), showing that making decisions more ethically positively influences one’s commitment to their organization. H5 was the only hypothesis not supported (t = 1.45), as ethical decision making had no significant effect on salesperson performance. The model and all linkages can be seen in Figure 3.

Discussion

Perceived organizational support was shown to have a positive, direct influence on ethical decision making, keeping in line with the results of research done by Grisaffe and Jaramillo (2007). The type of sales force control system a sales force uses was also found to have an impact on a salesperson’s ethical decision making. This finding supports previous research done by Verbeke et al. (1996). A salesperson’s ethical values were found to moderate
the relationship from both perceived organizational support and sales force control system to ethical decision making by strengthening it as a salesperson’s values become more ethical. This is in line with Harris et al. (2007). Ethical decision making was shown to have a direct, positive influence on a salesperson’s affective commitment to their organization, which is supported by previous work done by Weeks et al. (2004).

The only unexpected finding in the model was that ethical decision making had no significant effect on salesperson performance. What may be at issue here is the converging effects of short-term and long-term salesperson performance. According to Matsuo and Kusumi (2002), there are significantly different factors that determine whether or not a salesperson will be successful in the short-term versus the long-term. Behaving unethically may actually benefit a salesperson in the short-term, but would definitely hinder them in the long run due to the fact that buyers would have no desire to establish a relationship with a salesperson they realized was unethical. On the opposite side, behaving ethically would lead to long term success, but it may hinder a salesperson achieving quick success in the short term. These effects may cancel each other out.

Alternative Structural Model

Although five of the six hypotheses were supported in the hypothesized structural model, the SRMR value of .20 is troubling. This indicates that while the latent constructs are being measured well by the items that reflect them, the structural relationship among the constructs in the model probably takes a different form. In order to see if there was a better representation of the construct relationships, an alternative model was developed. Since the original hypothesized model was a fully mediated model, the alternative model developed was a partially mediated version of the original structural model. Links were added between 1) perceived organizational
support and affective organizational commitment, which was found by Williams et al. (2008) in their study of salesperson compensation satisfaction; 2) perceived organizational support and salesperson performance, which Benson et al. (2008) examined; 3) sales force control system and affective organizational commitment, which was found by Stathakopoulos (1996) in his synthesis of three sales force control theories; and 4) sales force control system and salesperson performance, which was previously investigated by Onyemah and Anderson (2009). The alternative structural model can be seen in Figure 4.

The resulting structural model had a chi-square of 2059.13 with 1069 degrees of freedom ($p = .00$). The results of a chi-square difference test between the two model was a chi-square of 58 with one degree of freedom ($p = .00$). This indicates that the partially mediated (alternative) model is a better fit than the fully mediated (original) model. However, even though model fit improved significantly, it still did not meet the Hu and Bentler (1999) requirement for good fit. The alternative model had an SRMR of .13, with an RMSEA of .061 and a CFI of .96.

H1 and H2 were still both supported ($t = 3.17$ and $t = 3.05$ respectively). H3A and H3B were also both supported ($t = 2.25$ and $t = 3.41$). H4 was supported ($t = 2.48$), and H5 again was not supported ($t = .049$).

The results for the new paths were as follows: 1) perceived organizational support positively influenced affective organizational commitment ($t = 9.12$), 2) perceived organizational support positively influenced salesperson performance ($t = 2.32$), 3) a behavioral sales force control system did not significantly influence affective organizational commitment ($t = 1.21$) and 4) a behavioral sales force control system positively influenced salesperson performance ($t = 4.58$). The reason the third linkage did not prove significant could be due to the self-selection effect (Yakubovich and Lup 2006). Salespeople, and employees in general, will tend to self-
select whatever situation is going to be most beneficial and/or profitable to them when presented with a choice or choices. Salespeople tend to be self-aware of their skills and abilities (Sujan et al. 1986), and are likely to choose a sales force that uses the type of control system that best suits them. For this reason, the type of sales force control system may not play a significant role in influencing affective organizational commitment.

Data Driven Model

Due neither the original or alternative model providing good structural fit, a third model was developed by creating a construct correlation matrix (Table 1) and hypothesizing links based on the correlations among constructs. The two major changes to the model are salesperson’s ethical values is now a direct effect rather than a moderator, and ethical decision making is now an outcome variable. The resulting data driven model can be seen in Figure 6. The new model contains the following links:

1) Sales Force Control System → Affective Organizational Commitment (Stathakopoulos 1996)

2) Sales Force Control System → Salesperson Performance (Onyemah and Anderson (2009)

3) Sales Force Control System → Perceived Organizational Support (this link was also found by Stathakopoulos(1996) in his synthesis of three sales force control system theories)

4) Salesperson’s Ethical Values → Salesperson Performance (this link was found by Amyx et al. (2008) in their development of the salesperson’s ethical values scale)

5) Salesperson’s Ethical Values → Ethical Decision Making (Fritzsche (1991) found this link in his development of a decision making paradigm for ethical issues)

6) Perceived Organizational Support → Affective Organizational Commitment (Williams et al. 2008)

7) Perceived Organizational Support → Ethical Decision Making (H1 from original model)

8) Perceived Organizational Support → Salesperson Performance (Benson et al. 2008)

9) Affective Organizational Commitment → Salesperson Performance (previously used by Weeks et al. (2004) in their examination of business to business products salespeople)
The resulting structural model had a chi-square of 1803.05 with 1308 degrees of freedom ($p = .00$). The data driven structural model did meet the Hu and Bentler (1999) criteria for good fit (SRMR = .07, RMSEA = .03, CFI = .98). Eight of the nine structural paths were found to be significant. Only path 8 was not supported. Results are listed below, and a structural representation of the results can be found in Figure 7.

<table>
<thead>
<tr>
<th>Path</th>
<th>$t$ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>5.77</td>
</tr>
<tr>
<td>2</td>
<td>4.68</td>
</tr>
<tr>
<td>3</td>
<td>4.64</td>
</tr>
<tr>
<td>4</td>
<td>2.75</td>
</tr>
<tr>
<td>5</td>
<td>4.18</td>
</tr>
<tr>
<td>6</td>
<td>9.01</td>
</tr>
<tr>
<td>7</td>
<td>2.45</td>
</tr>
<tr>
<td>8</td>
<td>-0.16</td>
</tr>
<tr>
<td>9</td>
<td>2.48</td>
</tr>
</tbody>
</table>

While unexpected, the finding that perceived organizational support had no significant effect on performance is not surprising. The main determinants of salesperson performance are a salesperson’s skills and abilities, as well as techniques used (Churchill et al. 1985). Things like support and commitment help in terms of motivation, but if skills and abilities are lacking, climate and attitudinal variables can do little to overcome their absence.

**Experiment**

An experiment was conducted to determine if a) the direct effect influence of both perceived organizational support and sales force control system carried over when a different form of analysis was used and b) there was an interaction effect between the two exogenous variables. A 2 x 2 fixed effect factorial analysis of variance was established perceived organizational support and sales force control system as the two main effects.

**Sample**
The same 427 salespeople that participated in the survey/structural model participated in the experiment. Issues of common methods bias do not arise in an experiment, so the tests suggested by Podsakoff et al. (2003) are not necessary. Subjects were randomly assigned to one of four cells. Cell sizes can be seen in Table 2. Subjects in the study were presented with an ethical scenario previously published in the area of industrial/organizational psychology.

The scenario presented an ethical quandary in which the subject is forced to choose between being honest, which meant that they would not face any risk of reprisal form their manager, customer or company but it also meant that the subject would not achieve quota for the year and therefore would not be able to pay for their child’s senior year of college; or being dishonest, which meant that a sale would be made that would put the subject over quota allowing them to afford their child’s senior year of college, but it also meant that the subject could likely face reprisal from their firm in the form of termination, suspension or legal action. After reading the scenario subjects were asked whether or not they would behave ethically (being honest) or unethically (being dishonest).

Manipulation check were also included in a post study follow up. Subjects were asked after reading the scenario and indicating what their course of action would be to answer two questions. One asked whether they felt the organization described in the scenario was supportive or non-supportive, while the other asked whether the subjects felt the organization described in the scenario monitored and controlled their behavior or allowed them to operate as they saw fit. Any subject whose answers did not match with the scenario they read were removed. Fortunately, all of the subjects who failed the post-experiment manipulation checks would have been eliminated through listwise deletion anyway.

Measure
The scenario used in this experiment was originally published in Ross and Robertson (2000). An excerpt follows:

You are a salesperson faced with a difficult problem. You must make this sale to stand a chance of attaining quota for the year, and you really need the $15,000 bonus that goes with making the quota to pay for your eldest child’s senior year of college. AMCE Tool and Die, your potential customer, has just emerged from bankruptcy proceedings, and you know that your credit department will reject their credit unless they have a new line of credit in place. ACME’s buyer tells you that the line of credit is about to be approved and will be in place by late next week, but they need your widget now, not next week! You know that ACME has emerged from their bankruptcy proceedings smarter and more solvent. Do you lie to your credit department by telling them ACME’s credit line is already in place?

At this point the story differed based on the four different conditions. Salespeople read that they either perceive their organization to be very supportive or unsupportive; their sales force employs either a behavior-based control system or an outcome-based control system. Subjects were randomly assigned. Full verbiage for all four scenarios can be found in Appendix B. Table 2 contains a summary of scenario conditions.

Analysis

The overall model created by the experiment predicted a significant amount of variance in the ethical decision making construct ($f = 4.46, p = .004$). The model had an overall $r^2$ of .031 (adjusted $r^2 = .024$). The results of the experiment showed a main effect of perceived organizational support ($f = 12.193, p = .001$), no main effect for sales force control system ($f = .789, p = .375$) and no interaction effect between the two ($f = .688, p = .407$). The significant effect of perceived organizational commitment was expected per the previous review of literature. The lack of an effect on the part of sales force control system, while unexpected, is not surprising. What is likely at work is again the self-selection effect (Yakubovich and Lup). Full experiment results can be seen in Table 3.
Conclusions

While the results of the study are not what were originally hypothesized, a lot of interesting information was gleaned. Unfortunately no formal conclusions and/or implications can be proffered. The model that was originally hypothesized had a great deal of theoretical backing and a strong foundation grounded in previous research; however, fit statistics indicate that the relationship probably do not behave as originally believed. The alternative model derived from the construct correlations in Table 1 has strong fit statistics; however its research underpinnings are not nearly as strong as the originally hypothesized model.

However, though the alternative model lacks the research foundation of the original, it is not without merit. Although ethical decision making is no longer a central variable, it can still play a central role in the model. It may be that ethical decision making is an outcome variable rather than a mediator. It may be that the constructs examined in the original model all mostly antecedents of ethical decision making, meaning ethical decision making may just be further down the line where sales constructs are concerned. It may be that its direct outcomes are variables such as turnover intention and job satisfaction.

When compared to the original model, perceived organizational support still directly influences ethical decision making. Salesperson’s ethical values still affects ethical decision making, although now it is as a direct effect instead of a moderator. Sales force control system no longer influences ethical decision making, but it is likely the self-selection effect is at work in this relationship. Salespeople want to maximizes their earning potential, and even though they may not formally “know” what kind of control system a sales force and/or firm uses, there are obvious indicators (e.g. straight commission versus salary, monitoring by management versus
salespeople functioning as independent contractors) that most salespeople could use as context 
clues.

The alternative model is supported by the results of the experiment, as salesforce control 
system had no influence on ethical decision making in either methodology. Acting unethically 
can hurt your performance in the long run, but it may actually help improve performance over 
the short term. These two effect may cancel each other out (i.e. suppress one another) due to the 
fact that there is as yet no reliable instrument to measure salesperson performance in either the 
short or the long term. An examination of the theory of planned behavior, which was the 
thoretical basis for the original model, shows that it likely can be applied to the alternative 
model as well. Perceived organizational support still has a positive influence on ethical decision 
making, which means that salespeople are still influenced by the beliefs and values of significant 
others in their reference groups. This related directly to the subject norms construct in the 
Theory of Planned Behavior. A salesperson’s ethical values still influences ethical decision 
making, so a salesperson’s personal beliefs still play a role. Using one’s ethical values as a 
direct link rather than a moderator actually fits the theory better. Sales force control system 
doesn’t directly link to ethical decision making, but it does have a relationship that is fully 
mediated perceived organizational support, so it does have an influence. The amount of control 
a salesperson has over their actions and behaviors still influences their intention to act. Further 
research is needed to discover the true nature of the relationships among the constructs in this 
study.

Limitations

This research, like all studies, has some limitations. A long questionnaire was used. This 
(can cause two problems: 1) it can contribute to a lower response rate and 2) it can cause a lack of
reliability in a subject’s answers due to fatigue. In addition, panel data was used, meaning that there are differences in the characteristics of each salesperson in the study that were not controlled for. These could have influenced subject responses, and may include time on the job, time with the firm, industry in which the salesperson worked, whether or not they sold products or services, marital status or number of children still in the household. Also, the statistical power of this study would be greatly improved had the researchers been able to collect longitudinal data and/or dyadic data.

Future Research

In addition to the need for improvements mentioned above, this study opens avenues for a variety of future research streams. There are several constructs and linkages that can be examined upstream, downstream and within the existing model. What follows is a brief examination of each construct, its relationship with existing constructs in the model and propositions on how the construct should behave when incorporated into the existing model.

Perceived Supervisor Support

Supervisor support is defined as the extent to which supervisors reinforce and support subordinate employees and their attempts to efficiently and effectively perform their job function (Bates et al. 1996). Unlike perceived organizational support, which tends to have examples such as across-the-board pay increases and sick leave policies that are applied indiscriminately across an organization’s work force, supervisor support deals with more individualized treatment such as informal feedback concerning job performance and pay increases or bonuses related to individual merit (Rhoades and Eisenberger 2002).

Huczynski and Lewis (1980) found that supervisor support was the single most important determining factor in predicting an employee’s propensity to leave their organization. Campbell
and Cheek (1989) stressed the importance of supervisor support through the role it plays in the enculturation into the organizational environment. Without the support and guidance of one’s supervisor, it becomes extremely difficult to learn what one’s job and role responsibilities are; the enculturation process is also stretched out as employees tend to use techniques such as trial and error or consensus among co-working peers to attempt to determine what behaviors are acceptable, what responsibilities are and are not associated with their job function, and what steps one can take to improve their job performance and work toward advancement.

According to Cohen (1990), employees who felt they had the support of their supervisors held stronger beliefs that they would be successful. In their study of Air Force trainees, Quinones et al. (1995), found that perception of a supervisor as supportive had a direct impact on one’s ability to perform job functions. Facteau et al. (1995) found that support from one’s supervisor led to significantly increased levels of motivation in employees. Managers in the study who perceived their supervisors to be supportive were more willing to participate in voluntary activities such as additional training, and believed to a higher degree that the information they garnered from their supervisors was useful.

Brinkerhoff and Montesino (1995) examined trainees from a Fortune 200 company. They found that trainees with managers they perceived to be supportive took advantage of the training opportunities more and had a more positive perception of the overall usefulness of the training. In their study of human resource personnel, Gregoire et al. (1998) found that encouragement, support and understanding by supervisors of an employee’s non-work needs, responsibilities and issues led to increased effort in job-related functions. Russell et al. (1987) found that supervisor support significantly reduced burnout levels in secondary school teachers.
Varvel et al. (2007) found that supervisor support was associated with decreased stress and increased physical health in firefighters.

**Perceived Supervisor Support and Ethical Decision Making**

Supervisor support also has been found to have a relationship with ethical decision making. Gibb (1961) found that an increased degree of supervisor support resulted in more open two-way communication. Open two-way communication is one of the characteristics that facilitate one incorporating more ethics in their decision-making (Ford and Richardson 1994). This was reinforced by Gaines (1980), who found that subordinates who trust their supervisors displayed more willingness to communicate up the ladder of command to both the supervisor and beyond than other organizational employees who did not have the same level of trust or perceive the same level of support from their supervisors. Blackburn (1988) found the exact opposite: as perceived supervisor support decreased, there was less communication between subordinate employees and higher management. In a more recent study, Sims and Keenan (1998) found that the likelihood of an employee blowing the whistle on wrongdoing, which is an ethical behavior, increased when the employee felt supported by their supervisor.

However, in the vein of work discussed earlier by Levinson (1965) and Harris et al. (2007), supervisors act as agents of an organization. Even though they direct and evaluate employees, these employees tend to associate, at least partly, the behavior of their supervisors to the organizational entity as a whole. Employees also understand that evaluations they receive from supervisors and/or managers are passed on to members of upper management. These evaluations then contribute to management’s views, behavior and decision-making process. This further contributes to an employee’s mental association of supervisor support and organizational
support. As a result, an employee’s perception of supervisor support can have a great deal of influence on their overall perception of organizational support (Eisenberger et al. 2002).

Eisenberger et al. (2002) examined a group of retail salespeople longitudinally. The authors found that the degree to which a retail salesperson’s supervisor valued their contribution to the organization and had concern for their well-being both at and away from work, the more the retail salesperson perceived the organization to be supportive of them. These results have been reinforced by several studies (Yoon and Lim 1999; Rhoades et al. 2001; Stinglhamber and Vendenberghe 2003).

Shanock and Eisenberger (2006) found that the degree of the aforementioned relationship is based on how much informal status the supervisor has within the organization, as perceived by the subordinate. The authors also found the relationship between the level of organizational support perceived by the supervisor and the level of organizational support perceived by the subordinate was moderated by the subordinate’s perception of supervisor support. This moderating effect was also observed in the relationships between supervisor perceived organizational support and both subordinate in-role performance and subordinate extra-role performance.

This indicates that perceived supervisor support may moderate the relationship between perceived organizational support and other work-role variables. Additional research has shown that the relationships supervisor support has with other antecedents and outcomes tend to be stronger in high-stress occupations such as sales (Regehr et al. 2003). Due to the aforementioned research, and due to the fact that there is controversy with the academic community concerning which variable in the perceived supervisor support-perceived organizational support relationship is the antecedent variable, and which is the outcome variable (Yoon and Thye 2000).
Proposition 1: A salesperson’s perception of supervisor support will moderate the relationship between a salesperson’s perception of organizational support and the level of ethics used in the salesperson’s decision making, such that as the perception of supervisor support increases, the strength of the relationship between perceived organizational support and the ethical level of the salesperson’s decision making will increase.

**Perceived Co-Worker Support**

The ability to form supportive co-worker relationships at work is one of the most powerful indicators of a highly productive workplace (Bacharach et al. 2000). Co-worker support works across the same exchange paradigm as both organizational and supervisor support (Gouldner 1960; Blau 1964). Employees are willing to perform extra-role behaviors and assist fellow employees in accomplishing goals. Employees assume that, due to the supportive co-worker culture, their expenditure of effort to assist fellow co-workers will be repaid should the work-team find itself in a reverse situation, e.g. the employee who originally provided support and performed extra-role behaviors now needs the same from his fellow employees (Cromwell and Kolb 2004).

Research has shown that co-worker support explains a unique amount of variance in outcome constructs, even after accounting for the variance explain by organizational and supervisor support (Vieria 2005). In their study of Australian salespeople, Lingard and Francis (2006) found that co-worker support significantly reduced levels of work-family conflict. Supportive co-worker relationships also have been found to explain significant portions of variance in their relationships with variables such as job satisfaction and stress (Ducharme and Martin 2000). Neveu (2007) found that a lack of co-worker support led to increasingly high
levels of burnout in prison employees. Cromwell and Kolb (2004) found that co-worker support played a significant role in facilitating the transfer of knowledge learned in training to active use in the workplace. Many organizations are using various co-worker support related vehicles, such as mentoring, coaching, counseling, crisis intervention and peer feedback, to improve job performance, solve conflicts and reduce turnover and burnout (Stone 1999).

Co-worker support can also have positive external effects, as Vieira (2005) found that a work environment with supportive co-workers produced higher levels of customer satisfaction. This was also presented by Horowitz and Neville (1996), whose research found that increased levels of co-worker support led to higher levels of perceived service quality by customers. Cromwell and Kolb (2004) found that co-worker support significantly increased job-performance. Zeithaml and Bitner (1996) found that co-worker support also leads to increased customer relationship quality and organizational effectiveness. These effects are due to the fact that members of a cohesive group are more motivated and tend to be better equipped to work together to achieve common organizational goals (Sergeant and Frenkel 2000).

**Perceived Co-Worker Support and Ethical Decision Making**

While there is a lack of research into the effect of co-worker support on ethical decision making, there is evidence for using co-worker support in a moderating role in the same vein as supervisor support. Co-worker support has been shown to moderate multiple stress-strain relationships, e.g. work-family conflict and emotional exhaustion (Hobfall and Freedy 1993). Co-worker support has also been found to alleviate the connection between high stress on the job and adverse physical and mental health issues such as burnout (Bakker et al. 2004). Co-worker support also reduces the effect of work stress on organizational outcomes such as job satisfaction, commitment and performance (Armstrong-Strassen 2004).
Proposition 2: A salesperson’s perception of co-worker support will moderate the relationship between a salesperson’s perception of organizational support and the level of ethics used in the salesperson’s decision making, such that as the perception of co-worker support increases, the strength of the relationship between perceived organizational support and the ethical level of the salesperson’s decision making will increase.

Ethical Climate

Organizations, and the actors within them, are responsible for the ethical and/or unethical behavior of their employees (Victor and Cullen 1988). In the past, there were few theoretical and/or methodological tools available for the characterization of the norms within an organization (Schneider 1983). One of the ways norms can be assessed is by examining the work climate of a firm. A work climate is defined by Schneider (1975. Pg. 474) as “perceptions that are psychologically meaningful descriptions that people can agree characterize a system’s practices and procedures.” The norms that govern ethical issues can be referred to as the ethical work climate.

The ethical climate of a firm governs the decisions that actors within an organization make (Victor and Cullen 1988). It is a psychological mechanism through which ethical issues are managed (Cullen et al. 1989). An employee, when faced with a decision, must consider what the right decision is as far as the organization is concerned. If the employee needs guidance, one source available for them to utilize is the norms that make up the ethical climate of a firm. In this way, ethical climates can be considered broad and all-encompassing characteristics of a group that affects the way a wide variety of decisions are made (Victor and Cullen 1988). Employees hold the perception that certain forms of reasoning concerning ethical situations, as
well as the associated behaviors considered acceptable, are standardized within the firm (Cullen et al. 2003). These organizational values govern actions of employees, so an organization’s ethical climate is also reflected in the outcomes associated with various work tasks at that particular organization. Essentially, it is a perception of what is considered “right” behavior. In addition, ethical climates can determine which decisions are considered ethical ones and the characteristics of their resolution. An ethical climate can be generalized to an entire organization, encompass only a division or just govern a smaller business unit such as the sales force. According to Kohlberg (1969), individuals can exist in ethical climates that differ from their own ethical beliefs. However, this incongruence can lead to increased levels of conflict over time (Babin et al. 2000).

   Ethical climates can be divided into two dimensions: ethical criterion and locus of analysis. Ethical criterion determines what basis is used in reasoning. In simpler terms, ethical criterion concerns which results one desires, and the reach of influence the particular result has (Victor and Cullen 1988). One can use egoism, which tends to lead one to maximize their own self interest and have little to no concern for how a decision affects others; one can use benevolence, which tends to lead one to maximize one’s joint interests and shows a concern for multiple and/or all parties affected; or one can use principle, in which one sticks to the governing principles associated with their decision making situation regardless of how it affects themselves or others involved in the decision, which is completely objective. These types of ethical reasoning tend to be completely incompatible (Kohlberg 1984). Those who reason benevolently tend to ignore laws and rules; while those who reason based on principle have little concern for how their objective decision affect others.
Locus of analysis refers to the reference source one uses when looking for guidance in making ethical decisions. It has three categories as well: the individual locus, the local locus and the cosmopolitan locus (Victor and Cullen 1988). One with an individual locus uses a references source considered by Scott (1966) to be external to the organization: themselves. People use themselves as a reference to find guidance in ethical reasoning, looking to their own personal beliefs and values as a basis. Those who possess a local locus look within their work group, e.g. the sales force, for guidance in decision making. People operating within this locus look to the beliefs and norms that exist within their work group, division, organization, etc; whatever system the actor happens to be imbedded in (Merton 1957). Those with a cosmopolitan locus of control also look externally to the organization. They can be abstract, encompassing beliefs held generally in the marketplace or industry in which the organization operates; or more concrete, such as the guidelines for behavior put forth by the professional association which governs one’s industry (Kornhauser 1962).

These two dimensions, and the three constructs which form each one, were used by Victor and Cullen (1988) to create a three by three matrix which resulted in nine unique types of organizational climates. However, later research (Agarwal and Malloy 1999, Martin and Cullen 2006) posits that while each form of ethical climate has been shown to exist in the real world, the matrix can be simplified into five types of dominant ethical climates which are much more frequently observed. The five climate types are instrumental, caring, independence, rules and law and code.

The instrumental ethical climate combines the ethical criterion of egoism with both an individual and local locus of analysis. Employees who view their organization’s ethical climate as instrumental believe the culture of their firm encourages ethical decision making from a
perspective of egoism (Martin and Cullen 2006). Employees also perceive that their own self-interest guides behavior, causing them to look internally to their individual selves when they need guidance about the values and norms that should oversee an ethical decision in their company. Employees that have this view will make decisions in their own self-interest even in the presence of obvious harm to others, because decisions should be made to either serve organizational interests, which in turn will benefit the actor, or to provide one with personal benefit. Multiple studies have observed that instrumental ethical climates are the least preferred, and are the only ethical climate that is definitively considered unethical (Wimbush and Shepard 1994).

Caring ethical climates combine the ethical criterion of benevolence with both the individual and local locus of analysis. A caring ethical climate is decidedly benevolent. Cullen et al. (2003) found that this is the ethical climate most preferred by employees. Actors perceive the culture of the organization dictates that ethical decisions should be made with concern for the way in which the decision affects others, both internal to the organization and external in the marketplace (Koh and Boo 2001). This concern should also extend to the abstract idea of society at large. Members of the organization typically perceive that this concern for the welfare of others is supported by the beliefs, values and norms of the organization.

The Independence ethical climate combines the ethical criterion of principle with the individual locus of analysis. Workers in this climate believe that it is most appropriate to base their actions on strong moral convictions and personal ethical beliefs (Schminke et al. 2005). Employees perceive that the organization supports this type of decision making in the face of moral quandaries, and that outside forces and external influence should be a non-factor in the search for a solution. These internal ethical standards are developed through careful
consideration, and this personal moral code is the sole governing principle of the independence ethical climate (Martin and Cullen 2006).

Ethical climates that fall under the distinction of law and code combine the ethical criterion of principle with a cosmopolitan locus of analysis. In this type of ethical climate employees perceive that the organization supports the use of decision making that is governed by some form of established principles of codes; such as legal precedents or the rules of conduct set forth by a professional association that governs the industry in which the organization operates (Peterson 2002). Employees make decision based on the regulations of some external system. The organization is perceived to support the governance of employee behavior by and reasoning by external codes. The main goal in ethical decision making in this climate is to simply avoid running afoul of rules and/or laws (Elm and Nichols 1993).

The final ethical climate is the rules climate, which is a combination of an ethical criterion of principle and a local locus of analysis. Company rules and procedures mandate decision making in this climate (Appelbaum et al. 2005). It is perceived that organizational decisions follow a standard code of conduct which is pervasive throughout the company and highly regarded by employees of the company. This ethical climate appeals to a lot of firms currently implementing multi-dimensional codes of conduct (Aquino and Becker 2005). A summary of ethical climates is found in Figure 8.

Ethical climates that combines the cosmopolitan locus of analysis with either the ethical criterion of egoism, referred to as efficiency by Victor and Cullen (1988), or the ethical criterion of benevolence, referred to as social responsibility by Victor and Cullen (1988), were not examined due to their extreme infrequency of occurrence. It should be noted that while there are five major types of ethical climate, research (Cullen et al. 1989; Wimbush and Shepard 1994)
has shown that these five types lead to two types of behavior: ethical behavior and unethical behavior. An instrumental ethical climate has been shown to lead directly to unethical behavior; while caring, rules, independence and law and code climates have been shown to lead directly to ethical behavior. By this rationale, an instrumental climate can be considered an unethical climate; while climates of law and code, caring, rules and independence can be considered ethical climates.

Ethical climate has been shown to affect several job outcome constructs. Traits that are common to ethical climates, such as a willingness to work together, a positive attitude toward one’s job and its functions and low levels of personality clashes create a positive perception of the organization (Wech et al. 1998). A cohesive work environment will cause employees to like and become committed to the other actors in the organization, and this commitment can be transferred to the abstract idea of the organization itself (Hackman 1992). On the opposite side, Wimbush and Shepard (1994) found that individuals become less committed to an organization and the actors in it when they perceive an unethical climate that fosters self-interest and unethical behaviors such as cheating, lying and stealing. The ethical climate of an organization has also been shown to influence global job satisfaction, as well as facets of job satisfaction such as satisfaction with task, promotion opportunities, fellow co-workers and supervisors (Armstrong et al. 1999; Opkara 2004).

Ethical climate also affects internal affective states of an individual, such as mental health. If an employee trusts his organization and the actors in it, feels supported by the firm and/or feels the company trusts him/her enough to allow him/her a good deal of autonomy in the way their job tasks are performed it will have a positive effect on their psychological well-being (Lemmergaard 2003). Unethical climates have been shown to be injurious. Employees feel no
commitment to the organization in this kind of climate and the goals of the individual tend to be incongruent with the goals of the organization (Barnett and Schubert 2002). When employees find themselves in an ethical environment that has the characteristics of being instrumental, there tends to be an increased occurrence of unethical behavior (Peterson 2002). This is most likely due to the lack of a code of principles to guide behavior. Examining the problem from the other direction, both Vardi (2001) and Wimbush et al. (1997) found that climates considered ethical had significantly lower incidents of unethical behavior.

Looking at how the ethical climate of a sales force affects behavior, Hunt and Vasquez-Parraga (1993) found that ethical cultures promote personal ethical values among the members of the sales force. Also, salespeople seem to respond positively when the perceived ethical climate is reinforced and made concrete by management through its incorporation into principles and code of conduct (DeConinck and Lewis 1997; Valentine and Barnett 2003). It has also been shown in research that when a salesperson perceives a climate as ethical, their commitment to quality service and customer orientation increases (Weeks et al. 2004, Schwepker and Good 2005). Research has also shown that sales forces with an ethical climate tend to hire salespeople with higher ethical standards and incorporate more ethics into the training of salespeople (Schwepker and Good 2007). Schwepker and Good (2004) found that in a sales force with an ethical climate, managers were much less likely to tolerate unethical behaviors by the salespeople under their supervision.

An ethical climate has also been shown to improve the on the job experience of salespeople. The ethical climate of a sales organization has been shown to affect salesperson motivation (Tyagi 1982). In their study of retail salespeople, Jaramillo et al. (2006) found that an ethical sales force climate caused a significant reduction in both role conflict and role
ambiguity. In addition, Schwepker at el. (1997) found that salespeople operating in organizations with ethical climates had significantly lower incidents of conflict with their managers.

**Ethical Climates and Ethical Decision Making**

Ferrell et al. (2008) states that the best way to maintain a high level of ethical decision making in a sales organization is to ensure that the work climate of the sales force is ethical in nature. In their study of business-to-business salespeople, Verbeke et al. (1996) found that ethical climates lead to a significantly higher degree of ethical decision making. This was reinforced by Barnett and Vaicys (2000).

Research has also shown that the dimensions of an ethical climate can have an influence on the ethical decision making of a salesperson as well. For instance, Fritzscbe (2000) found that the more actors that are considered when making ethical decisions, the higher the likelihood that salespeople will make decisions ethically. Weber and Green (1991) found that in climates with higher levels of moral development, decisions were made more ethically. Deconinck (2004) found that an ethical work climate increased the willingness of salespeople to engage in ethical behavior. An ethical work climate has also been found to increase the intensity with which salespeople deal with an ethical situation (Singhapakdi et al. 1999).

*Proposition 3: Salespeople that perceive their work climate to be ethical will make decisions at a significantly higher ethical level than salespeople that perceive their work climate to be unethical.*

**Affective Organizational Commitment and Demographic Moderators**

*Age*
Personal characteristics have long been confirmed to have implications for affective organizational commitment (Owens 1976). Age has been related to affective organizational commitment in multiple research articles (e.g. Hunt et al. 1985; Pierce and Dunham 1987). As a salesperson matures, a change in career orientation takes place. One study hypothesized that the older a salesperson is, the higher their level of affective organizational commitment (Sager and Johnston 1989). The hypothesis for a direct link in this study was not supported, but it is likely that age functions as a moderator of relationships between antecedent variables and affective organizational commitment.

**Proposition 4A:** Age will moderate the relationship between ethical decision making and affective organizational commitment such that as a salesperson’s age increases, the link between ethical decision making and affective organizational commitment will get stronger.

**Income**

Hunt et al. (1985) found a positive link between income level and affective organizational commitment in their study of marketing professionals. This link was reiterated by Angle and Perry (1983) in their study of transit operators. Sager and Johnston (1989) argued that as income rises, the risk associated with forfeiting the job rises in a directly proportional manner. However, in their study of salespeople Sager and Johnston find no direct relationship between income level and organizational commitment. It is likely that for salespeople, income level functions as a moderator in much the same way as age.

**Proposition 4B:** Income level will moderate the relationship between ethical decision making and affective organizational commitment such that as a salesperson’s income
level increases, the link between ethical decision making and affective organizational commitment will get stronger.

Education

Hunt et al. (1985) found a negative relationship between education and affective organizational commitment. Education gives a salesperson alternatives because the presence of increased education adds to the value of the salesperson as a resource. Angle and Perry (1983) found the same results. Again, however, in their study of salespeople, Sager and Johnston (1989) found no direct link. Once again it is hypothesized that education behaves in much the same style as age and income level, only it weakens the link between affective organizational commitment and its antecedents.

Proposition 4C: Education will moderate the relationship between ethical decision making and affective organizational commitment such that as a salesperson’s education level increases, the link between ethical decision making and affective organizational commitment will get weaker.

Additional Analyses

The almost 50/50 split of the sample between male and female (the sample was 53% male) allow for some analyses not typically afford by the typical sample of salespeople. Most sales sample tend to be male dominated. This sample allows for a future experiment using the statistical technique of multi-group analysis. The models presented in this study can be run for males only and for females only and the significant differences can be analyzed. This would allow researchers to determine if the issues in ethics discussed in this research behaved the sample across gender or if there are gender differences.
Another opportunity for multi-group analysis exists in grouping the subjects according to the type of sales they perform: new business/channel development sales or consultative sales. Since ethical decision making seems to be best positioned as a outcome variable among the constructs in this study, a study of what constructs might be outcomes of ethical decision making is warranted. The seemingly logical choice would be constructs such as turnover intent, job satisfaction and employer-employee trust levels.

Since perceived organizational support is the only consistent predictor of ethical decision making across all of the models presented in this research, an interesting study would be to determine if sales forces support all salespeople and hope they will behave ethically, removing those that don’t from the sales force retroactively; or if sales forces tend to recruit salespeople they feel would be ethical in the first place so they would have no qualms about providing the needed support. This study is interesting since the data driven model revealed that the two predictors of ethical decision making are perceived organizational support and salesperson ethical values. Finally, it would be very interesting to see if these results hold up in a study of non boundary spanning salespeople such as inside salespeople, retail salespeople and call center employees.
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Buchanan, B. (1974), “Building Organizational Commitment: The Socialization of Managers in


_____ and Thomas N. Ingram (1984), Correlates of Salespeople’s Ethical Conflict: An Exploratory Investigation,” *Journal of Business Ethics*, 3 (3) 343-353.


Fishbein, Martin and Icek Azjen (1975), *Belief, Attitudes, Intentions and Behavior: An Introduction to Theory and Research*, Addison-Wesley: Reading, MA.


Fritzsche, David J. (1988), “An Examination of Marketing Ethics: Role of the Decision Maker,
Consequences of the Decision, Management Position and Sex of the Respondent,”


_____ and Kenneth Butterfield and Donald McCabe
_____, Gary R. Weaver, David G. Gibson and Barbara Ley Toffler (1999), “Managing Ethics


Figure 1: Hypothesized Structural Model
Figure 2: Theory of Planned Behavior
Figure 3: Hypothesized Structural Model Results

- **Salesperson Ethical Values**
  - $T = 2.20$
- **Perceived Organizational Support**
  - $T = 3.39$
- **Ethical Decision Making**
  - $T = 3.51$
- **Sales Force Control System**
  - $T = 3.09$
- **Affective Organizational Commitment**
  - $T = 1.96$
- **Sales Performance**
  - $T = 1.45$
Figure 4: Alternative Structural Model

- Perceived Organizational Support
- Sales Force Control System
- Ethical Decision Making
- Affective Organizational Commitment
- Sales Performance
- Salesperson Ethical Values
Figure 5: Alternative Structural Model Results

Salesperson Ethical Values

Perceived Organizational Support

T = 3.17

T = 2.25

T = 3.41

T = 0.49

Sales Force Control System

Ethical Decision Making

T = 9.12

T = 2.32

T = 1.21

T = 4.58

Affective Organizational Commitment

Sales Performance
Figure 6: Second Alternative Structural Model
Figure 7: Second Alternative Structural Model Results

![Diagram showing the relationships between variables with T-statistics]

- Sales Force Control System
- Salesperson Ethical Values
- Perceived Organizational Support
- Affective Organizational Commitment
- Salesperson Performance
- Ethical Decision Making

T-statistics:
- T = 5.77
- T = 4.68
- T = 2.75
- T = 4.64
- T = 2.48
- T = -0.16
- T = 9.07
- T = 2.45
Figure 8: Types of Ethical Climates

*Locus of Analysis*

<table>
<thead>
<tr>
<th>Ethical Theory</th>
<th>Individual</th>
<th>Local</th>
<th>Cosmopolitan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egoism</td>
<td>Instrumental</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benevolence</td>
<td>Caring</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principle</td>
<td>Independence</td>
<td>Rules</td>
<td>Law and Code</td>
</tr>
<tr>
<td>Construct</td>
<td>EDM</td>
<td>SFCS</td>
<td>POS</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>-----</td>
<td>------</td>
<td>-----</td>
</tr>
<tr>
<td>Ethical Decision Making</td>
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<td>Sales Force Control System</td>
<td>-0.063</td>
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<tr>
<td>Perceived Organizational Support</td>
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<td>0.961</td>
</tr>
<tr>
<td>Salesperson Ethical Values</td>
<td>0.399</td>
<td>0.061</td>
<td>-0.022</td>
</tr>
<tr>
<td>Affective Organizational Commitment</td>
<td>-0.085</td>
<td>0.419</td>
<td>0.688</td>
</tr>
<tr>
<td>Salesperson Performance</td>
<td>0.081</td>
<td>0.426</td>
<td>0.325</td>
</tr>
</tbody>
</table>

*Values on the diagonal are alpha reliabilities.
*Values in italics are non-significant.
<table>
<thead>
<tr>
<th>Scenario</th>
<th>Support Perception</th>
<th>Control System</th>
<th>Number of Subjects</th>
</tr>
</thead>
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<tr>
<td>1</td>
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<td>Behavioral</td>
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</tr>
<tr>
<td>2</td>
<td>Supportive</td>
<td>Outcome</td>
<td>32</td>
</tr>
<tr>
<td>3</td>
<td>Unsupportive</td>
<td>Behavioral</td>
<td>26</td>
</tr>
<tr>
<td>4</td>
<td>Unsupportive</td>
<td>Outcome</td>
<td>27</td>
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Table 3: Experiment Results
Tests of Between-Subjects Effects

Dependent Variable: Response

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<tr>
<th>Source</th>
<th>Type I Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
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</thead>
<tbody>
<tr>
<td>Corrected Model</td>
<td>2.012&lt;sup&gt;a&lt;/sup&gt;</td>
<td>3</td>
<td>.671</td>
<td>4.460</td>
<td>.004</td>
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<tr>
<td>Intercept</td>
<td>15.046</td>
<td>1</td>
<td>15.046</td>
<td>100.035</td>
<td>.000</td>
</tr>
<tr>
<td>Support</td>
<td>1.834</td>
<td>1</td>
<td>1.834</td>
<td>12.193</td>
<td>.001</td>
</tr>
<tr>
<td>Behavioral</td>
<td>.119</td>
<td>1</td>
<td>.119</td>
<td>.789</td>
<td>.375</td>
</tr>
<tr>
<td>Support * Behavioral</td>
<td>.104</td>
<td>1</td>
<td>.104</td>
<td>.688</td>
<td>.407</td>
</tr>
<tr>
<td>Error</td>
<td>63.622</td>
<td>423</td>
<td>.150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>81.000</td>
<td>427</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corrected Total</td>
<td>65.635</td>
<td>426</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. R Squared = .031 (Adjusted R Squared = .024)
Appendix A: Survey Instrument

Ethical Decision Making

<table>
<thead>
<tr>
<th>Should Not</th>
<th>Definitely</th>
<th>Should Not</th>
<th>Definitely</th>
</tr>
</thead>
</table>
| John has one purchaser who he especially likes. Their wives are friends too and their children go to school together. John finds that he is giving this purchaser special considerations on price and delivery that John does not give to his other customers. Should he continue this practice?
| _____ _____ _____ _____ _____ _____ _____ |

| John is selling a number of office machines to a small service firm. The firm is ready to order the top of the line machine, even though as far as John can see the firm has no possible use for any of the extra features of the machine, and would be much better off with a less expensive model. Should John explain to the customer that s/he does not need the extra features of the more expensive model?
| _____ _____ _____ _____ _____ _____ _____ |

| John’s new sales manager mistakenly believes that John deserves credit for landing a major new customer, and has privately praised John for this. In fact, a rookie salesperson who has since left the company was largely responsible. Should John set the record straight?
| _____ _____ _____ _____ _____ _____ _____ |

| John’s boss is a real stickler for reporting procedures and for making lots of sales calls. John has not been able to convince his boss that John is much more effective making fewer, more targeted calls. Should John keep his boss happy by exaggerating the number of calls he is making?
| _____ _____ _____ _____ _____ _____ _____ |

| John is negotiating the final details of a large order. The customer is insisting on one minor point about service that John does not think he will be able to provide. John knows he can clinch the sale by agreeing now; if necessary, he can blame his company later for not being able to come through. Should John say that he doesn’t think his company can provide the service upon which the customer insists?
| _____ _____ _____ _____ _____ _____ _____ |

| John has one product that he is selling like the proverbial hotcakes. John has developed a strategy in which he insists that he won’t sell the customer this “hot” product unless the customer also buys other items in the product line. In fact, John is bluffing. Assuming it works, should John stop using this strategy?
| _____ _____ _____ _____ _____ _____ _____ |

| John is a relatively inexperienced salesperson who is having some difficulty living on what he perceives to be a less than adequate salary. John occasionally takes his wife out to dinner and charges the company. John reasons that he works hard and deserves to enjoy some company benefits. Should
|
John continue this practice?  

John sold one of his major customers a large order which was delivered to the customer about two weeks ago. John has just discovered that the merchandise delivered is a slightly less sophisticated, less expensive model than the one ordered. John can’t believe it but he thinks the customer just didn’t notice. Should John point out this mistake to the customer? 

John’s manager is pressuring him to “crack” a large account which has never made any substantial purchases from John’s company. John has made several calls on this account and has gotten nowhere. John has heard that the only way to get an order from this buyer is to offer the purchasing agent a gift. Should John try this approach? 

John has found that by exaggerating the seriousness of a competitor’s problem, he can get the customer to place a large order? Should he pursue this sales tactic? 

John is charging more to his buyers for whom he is the sole supplier than he does in a similar sale where he is competing with other suppliers. Should he do this? 

11 Items  
Robertson and Anderson 1993 (Organization Science)  
Perceived Organizational Support

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization values my contribution to its well-being</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization appreciates any extra effort from me</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization pays attention to ignore my complaints</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization cares about my well-being</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If I do the best job possible, the organization will notice</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization cares about my satisfaction at work</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization shows a lot of concern for me</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization takes pride in my achievements at work</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8 Items  
Eisenberger et al. 1986 (Journal of Applied Psychology)  
Rhoades and Eisenberger 2002 (Journal of Applied Psychology)
### Coworker Support

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coworkers go out of their way to make a new employee feel comfortable</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>The atmosphere at work is friendly and intimate</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>Coworkers take a personal interest in each other</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>Coworkers frequently do things together after work</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>Coworkers are generally honest about how they feel</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>Coworkers often eat lunch together</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>Coworkers who differ greatly from others in the organization don’t do well</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>Coworkers often talk to each other about their personal problems</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>Coworkers never make trouble by talking behind other’s backs</td>
<td>_____</td>
<td>_____</td>
</tr>
</tbody>
</table>

9 Items

**Insel and Moos Work Environment Scale 1974 (Human Relations)**

### Sales Force Control System

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>My organization observes the performance of salespeople in the field</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>My organization pays attention to the extent to which salespeople travel</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>My organization regularly reviews call reports from salespeople</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>My organization regularly spends time coaching salespeople</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>My organization discusses performance evaluations with salespeople</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>My organization actively participates in training salespeople on the job</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>My organization evaluates the sales results of each salesperson</td>
<td>_____</td>
<td>_____</td>
</tr>
<tr>
<td>My organization evaluates the quality of sales presentations made by salespeople</td>
<td>_____</td>
<td>_____</td>
</tr>
</tbody>
</table>
My organization evaluates the number of calls made by salespeople

My organization evaluates the profit contribution achieved by each salesperson

My organization rewards salespeople based on their sales results

My organization compensates salespeople based on the quality of their sales activities

My organization uses nonfinancial incentives to reward Salespeople for their achievements

**13 Items**

Adapted from Babakus et al. 1996 (International Journal of Research in Marketing) by Panagopolous and Avlonitis 2008 (JPSSM)

**Ethical Climate**

<table>
<thead>
<tr>
<th>Description</th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salespeople in my organization are held accountable for their actions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salespeople act first to further customers’ interests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customers always get treated justly by the sales force</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salespeople in my organization are truly committed to high moral standards in their treatment of others</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salespeople in my organization have performed unethical acts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I’ve seen other salespeople in my organization do things that bother me from a moral viewpoint</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Some of the salespeople I work with do things that I feel are unethical</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salespeople here act to protect their own self-interests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salespeople in my organization do things to protect Themselves, or “CYA.”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salespeople in my organization sometimes take revenge on customers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salespeople acting unethically for personal gain are punished</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Salespeople acting unethically for company gain are punished

Salespeople in my organization are encouraged to “up-sell” customers

Salespeople here are required to be very aggressive in Making “suggested sales” or selling “add ons”

Customers are sometimes encouraged to buy something they might not truly need

15 Items
Babin et al. 2000 (JAMS)

Salesperson Ethical Values

Strongly disagree
Strongly agree

Ethical values are irrelevant in the business world

For every decision, I ask, “Will it be profitable?” If yes, I act accordingly; if no, it is irrelevant and a waste of time

A salesperson that is performing well does not have to worry about ethical problems

The only goal of business is to make money

The business world has its own rules

If you want a specific goal, you have to take the necessary Means to achieve it

The main interest of salespeople should be maximum profitability

7 Items
Preble and Richel 1988 (Journal of Business Ethics)

Salesperson Ethical Behaviors

Strongly disagree
Strongly agree

I never engage in behaviors related to my company that are unethical

I never engage in behaviors related to my customers that are unethical

In order for me to succeed in my company, it is never necessary for me to compromise my ethics in matters related to my company
In order for me to succeed in my company, it is never necessary for me to compromise my ethics in matters related to my customers

4 Items
Amyx et al. 2008 (JPSSM)

Affective Organizational Commitment

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would be very happy to spend the rest of my career with this organization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I enjoy discussing my organization with people outside it</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I really feel as if my organization’s problems are my own</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I could not easily become as attached to another organization as I am to this one</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel like part of the family at my organization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>This organization has a great deal of personal meaning for me</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel a strong sense of belonging to my organization</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7 Items
Allen and Meyer 1990 (Journal of Occupational Psychology)

Sales Performance

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I produce a high market share for my organization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I sell products/services with the highest profit margin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I generate a high level of sales dollars</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I quickly generate sales of new company products/services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I identify and sell to major accounts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I produce sales or blanket contracts with long-term profitability</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I exceed all sales targets and objectives during the year</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7 Items
Behrman and Perreault 1982 (JBR)

Turnover intention

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
</table>
I will leave my job in the next 3 months
I will leave my job in the next 6 months
I will leave my job within the next year

3 Items
Johnston et al. 1990 (JMR)

Involvement

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The work is really challenging</td>
<td></td>
</tr>
<tr>
<td>There is a lot of group spirit</td>
<td></td>
</tr>
<tr>
<td>Very few people seem to just be putting in time</td>
<td></td>
</tr>
<tr>
<td>People seem to take pride in the organization</td>
<td></td>
</tr>
<tr>
<td>People put quite a lot of effort into what they do</td>
<td></td>
</tr>
<tr>
<td>Many people always volunteer</td>
<td></td>
</tr>
<tr>
<td>It is quite a lively place</td>
<td></td>
</tr>
<tr>
<td>It is not hard to get people to do extra work</td>
<td></td>
</tr>
<tr>
<td>The work is usually very interesting</td>
<td></td>
</tr>
</tbody>
</table>

9 Items
Insel and Moos Work Environment Scale 1974 (Human Relations)

Customer Orientation

<table>
<thead>
<tr>
<th>Strongly Negative</th>
<th>Strongly Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>I try to figure out what customer needs are</td>
<td></td>
</tr>
<tr>
<td>A good employee has to have the customer’s best interests in mind</td>
<td></td>
</tr>
<tr>
<td>I try to bring a customer with a problem together with a product/service that helps solve that problem</td>
<td></td>
</tr>
<tr>
<td>I offer the product/service that is best suited to the customer’s problem</td>
<td></td>
</tr>
<tr>
<td>I try to find out what products/services would be most helpful to the customer</td>
<td></td>
</tr>
</tbody>
</table>

5 Items
Periatt et al. 2004 (JPSSM)
**Sales Orientation**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Negative</th>
<th>Strongly Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>I try to sell as much as I can rather than satisfy the customer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>It is necessary to stretch the truth in describing a product to a customer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I try to sell a customer all I can convince them to buy, even if I think it is more than a wise customer would buy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I paint too rosy a picture of my product/service to make them sound as good as possible</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I decide what product/service to offer on the basis of what I can convince customers to accept, not on the basis of what will satisfy them in the long run.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**5 Items**  
*Periatt et al. 2004 (JPSSM)*

**WFC/FWC**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Negative</th>
<th>Strongly Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>The demands of my work interfere with my home and family life</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The amount of time my job takes up makes it difficult to fulfill my family responsibilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Things I want to do at home do not get done because of the demands my job puts on me</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My job produces strain that makes it difficult to fulfill family duties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to work-related duties, I have to make changes to my plans for family activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The demands of my family or spouse/partner interfere with work-related activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have to put of doing things at work because of the demands on my time at home</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Things I want to do at work don’t get done because of the demands of my family or spouse/partner.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My home life interferes with my responsibilities at work such as getting there on time, accomplishing daily tasks</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
and working overtime

Family-related strain interferes with my ability to perform job-related duties

10 Items
*Netemeyer et al. 1996 (Journal of Applied Psychology)*

**Demographics**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>My job has potential for high earnings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industry</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My spouse: Works Full Time</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Works Part Time</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does not work</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N/A (No spouse)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yearly gross salary w/o bonus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yearly gross salary w/ bonus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Length of time with current firm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time in current position</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of previous sales jobs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is your highest completed level of education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How much full time work experience do you have</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How many children do you have under 18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I primarily sell: Products Services Equal split of both</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I deal primarily in: Business to Business Sales Business to Consumer Sales/Retail</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix B: Experiment Scenarios

Scenario 1: Supportive-Behavioral

You are a salesperson faced with a difficult problem. You must make this sale to stand any chance of achieving your quota for the year, and you really need the $15,000 bonus that comes with making quota to pay for your oldest child’s senior year of college. Your potential customer, Acme Tool and Die, has just emerged from bankruptcy proceedings and you know that the credit department at your company will reject Acme’s credit request unless they have a new line of credit in place. Acme’s buyer assures you that the line of credit will be in place by late next week, but they need your product immediately. There is a reasonable chance that if you are unable to provide Acme with their product, they will seek another supplier that can serve them immediately. You know that Acme has emerged from their bankruptcy smarter and more solvent. In order to make the sales immediately, you would have to lie to your credit department by telling them that Acme’s line of credit is already in place.

Keep in mind that your company has been very supportive of you. The company feels you make a valuable contribution. The company has also shown you through several acts that they care about your well-being. When you do a good job or close a big account, the company praises you and makes sure to show its appreciation and support. Also keep in mind that the company heavily monitors your activities as a salesperson. If you do something that the company feels is not indicative of success, they are quick to let you know and attempt to correct it. Your company wants you to sell their way. The sales managers in your company believe that if you follow the company’s sales methods, success is inevitable. For this reason, the company is concerned with and considerably monitors your skill level, sales methods and activity levels. Results are not as big of an issue, because the company feels if you follow their way of doing things and still don’t make a sale, you did all that you could. While the company may monitor a lot of your behaviors, they provide a great deal and high quality level of training, assistance and guidance.

Based on all this, will you lie to your company’s credit department by telling them that Acme’s line of credit is already in place?

Scenario 2: Supportive-Outcome

You are a salesperson faced with a difficult problem. You must make this sale to stand any chance of achieving your quota for the year, and you really need the $15,000 bonus that comes with making quota to pay for your oldest child’s senior year of college. Your potential customer, Acme Tool and Die, has just emerged from bankruptcy proceedings and you know that the credit department at your company will reject Acme’s credit request unless they have a new line of credit in place. Acme’s buyer assures you that the line of credit will be in place by late next week, but they need your product immediately. There is a reasonable chance that if you are unable to provide Acme with their product, they will seek another supplier that can serve them immediately. You know that Acme has emerged from their bankruptcy smarter and more solvent. In order to make the sales immediately, you would have to lie to your credit department by telling them that Acme’s line of credit is already in place.

Keep in mind that your company has been very supportive of you. The company feels you make a valuable contribution. The company has also shown you through several acts that they care about your well-being. When you do a good job or close a big account, the company praises you and makes sure to show its appreciation and support. Also keep in mind that the company lets you sell in your own way. The company is not concerned with how you make sales, only that you make them. The company is not concerned with
skill levels, sales methods or activity levels; and makes no attempt to monitor them. While they provide a lot of freedom, there is very little training, assistance or guidance from management.

Based on all this, will you lie to your company’s credit department by telling them that Acme’s line of credit is already in place?

Scenario 3: Unsupportive-Behavioral

You are a salesperson faced with a difficult problem. You must make this sale to stand any chance of achieving your quota for the year, and you really need the $15,000 bonus that comes with making quota to pay for your oldest child’s senior year of college. Your potential customer, Acme Tool and Die, has just emerged from bankruptcy proceedings and you know that the credit department at your company will reject Acme’s credit request unless they have a new line of credit in place. Acme’s buyer assures you that the line of credit will be in place by late next week, but they need your product immediately. There is a reasonable chance that if you are unable to provide Acme with their product, they will seek another supplier that can serve them immediately. You know that Acme has emerged from their bankruptcy smarter and more solvent. In order to make the sales immediately, you would have to lie to your credit department by telling them that Acme’s line of credit is already in place.

Keep in mind that your company has not been very supportive of you. You make a valuable contribution to the company’s success, but the company doesn’t seem to notice. When you have problems, for example you need a personal day to attend to a family emergency, the company has shown very little concern for the well being of you or your family. When you do a good job or close a big account, the company doesn’t show its appreciation and support. They hardly seem to notice. The company is not negative toward you, they just seem indifferent. Also keep in mind that the company heavily monitors your activities as a salesperson. If you do something that the company feels is not indicative of success, they are quick to both let you know and attempt to correct it. Your company wants you to sell their way. The sales managers in your company believe that if you follow the company’s sales methods, success is inevitable. For this reason, the company is concerned with and considerably monitors your skill level, sales methods and activity levels. Results are not as big of an issue, because the company feels if you follow their way of doing things and still don’t make a sale, you did all that you could. While the company may monitor a lot of your behaviors, they provide a great deal and high quality level of training, assistance and guidance.

Based on all this, will you lie to your company’s credit department by telling them that Acme’s line of credit is already in place?

Scenario 4: Unsupportive-Outcome

You are a salesperson faced with a difficult problem. You must make this sale to stand any chance of achieving your quota for the year, and you really need the $15,000 bonus that comes with making quota to pay for your oldest child’s senior year of college. Your potential customer, Acme Tool and Die, has just emerged from bankruptcy proceedings and you know that the credit department at your company will reject Acme’s credit request unless they have a new line of credit in place. Acme’s buyer assures you that the line of credit will be in place by late next week, but they need your product immediately. There is a reasonable chance that if you are unable to provide Acme with their product, they will seek another supplier that can serve them immediately. You know that Acme has emerged from their bankruptcy smarter and more solvent. In order to make the sales immediately, you would have to lie to your credit department by telling them that Acme’s line of credit is already in place.
Keep in mind that your company has not been very supportive of you. You make a valuable contribution to the company’s success, but the company doesn’t seem to notice. When you have problems, for example you need a personal day to attend to a family emergency, the company has shown very little concern for the well being of you or your family. When you do a good job or close a big account, the company doesn’t show its appreciation and support. They hardly seem to notice. The company is not negative toward you, they just seem indifferent. Also keep in mind that the company lets you sell in your own way. The company is not concerned with how you make sales, only that you make them. The company is not concerned with skill levels, sales methods or activity levels; and makes no attempt to monitor them. While they provide a lot of freedom, there is very little training, assistance or guidance from management.

Based on all this, will you lie to your company’s credit department by telling them that Acme’s line of credit is already in place?