The Moral Philosophy of Sales Managers and its Influence on Ethical Decision Making

Ken Bass, Tim Barnett and Gene Brown

Sales managers' moral philosophies may be particularly important due to the influence these managers can have on the ethical climate of their sales organizations. Our study analyzed the moral philosophies of a national sample of sales managers in terms of differences between sales managers and other marketers, characteristics associated with differences in moral philosophies, and the effect of personal moral philosophy on ethical decision making.

Findings indicated that sales managers' moral philosophies did not differ significantly from other marketers. The age and gender of sales managers were associated with differences in personal moral philosophies. Sales managers' moral philosophies were associated with their ethical judgments regarding potentially unethical sales practices.

Sales managers can influence the ethical climate of their sales organization through careful selection of salespeople, ethics training, and rigorous enforcement of ethical codes (Hunt, Chonko, and Wilcox 1984; Hunt and Varquez-Parraga 1993; Schewepler, Ferrell, and Ingram 1997; Wotruba 1990). Research has identified several factors that influence sales managers' reactions to the unethical behavior of their subordinates (Bellizzi 1995; Bellizzi and Norvell 1991; Bellizzi and Hite 1989) but has not addressed how sales managers' ethical orientations affect their decisions about ethical issues faced by themselves and their subordinates.

One measure of ethical orientation, personal moral philosophy, is a potentially key influence on sales managers' ethical decision making (Ferrell, Gresham, and Fraedrich 1989; Hunt and Vitell 1986, 1993). This construct is based primarily upon the ethical theories of deontology, teleology, and ethical skepticism (Forsyth 1980). Within this framework, individuals' moral philosophies can be parsimoniously represented by the extent to which they are relativistic and idealistic (Forsyth 1992).

Although empirical studies have examined moral philosophy and its impact on the ethical decision making of marketers (Barnett, Bass, Brown, and Hebert 1998; Fraedrich and Ferrell 1992a, 1992b; Singhapakdi, Kraft, Vitell, and Rallapalli 1995; Tansey, Brown, Hymen, and Dawson 1994; Vitell, Rallapalli, and Singhapakdi 1993; Vitell and Singhapakdi 1993), to date there has not been a large-scale national study of sales managers' moral philosophies. The perception exists that those in sales and sales management have lower ethical standards than those in other business occupations (Singhapakdi and Vitell 1992). Thus, it appears particularly important to assess the moral philosophies of sales managers.

Therefore, our study focuses on the following research questions:

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The sales profession suffers from a public perception that it has low standards of ethical behavior . . . .

1. What are the moral philosophies of sales managers relative to other marketers?
2. Do sales managers’ moral philosophies differ based on personal characteristics such as age, gender, and education?
3. Do sales managers’ moral philosophies affect their ethical judgments and behavioral intentions regarding potentially unethical sales practices?

Personal Moral Philosophy

One distinction among the ethical theories of deontology, teleology, and skepticism is the extent to which the theories are relativistic or non-relativistic. Relativism is the degree to which an individual “rejects universal moral rules” (Forsyth 1980, p. 175) as appropriate guidelines for ethical decisions. Highly relativistic individuals reject universal moral principles, but non-relativistic individuals accept universal principles when making ethical judgments.

The second distinction, idealism, involves the extent of an individual’s concern with the welfare of others (Forsyth, Nye, and Kelley 1988). Idealism is the degree to which an individual believes that “desirable consequences can, with the ‘right’ action, always be obtained” (Forsyth 1980, p. 176). An idealist accepts the idea that good outcomes for all can be achieved by morally correct actions. Non-idealists believe that morally correct actions will often produce negative consequences as well as positive ones (Forsyth 1980).

Forsyth (1980) developed a 2 X 2 taxonomy of moral philosophies based on the relativism and idealism dimensions. The taxonomy is presented in Table 1 with a summary of the characteristics of “absolutists,” “situationists,” “subjectivists,” and “exceptionists.”

Personal moral philosophy has been found to influence decisions about a wide variety of both non-business and business-related ethical issues (Barnett, Bass, and Brown 1994, 1996; Forsyth 1980; Forsyth and Berger 1982; Forsyth et al. 1988; Singhapakdi et al. 1995; Vitell et al. 1993; Vitell and Singhapakdi 1993). The next section of the paper reviews relevant research in marketing ethics and presents several research hypotheses.

Personal Moral Philosophy and Sales Managers

The sales profession suffers from a public perception that it has low standards of ethical behavior (Chonko, Tanner, and Weeks 1996; Dubinsky, Jolson, Michaels, Kotabe, and Lim 1992; Singhapakdi and Vitell 1991b). This perception has serious implications for the ability of organizations to attract well-qualified people into the field and to effectively market goods and services. The visibility of sales, intense competitive pressures, reward systems, and the boundary-spanning role of the sales function are all possible reasons for perceived unethical behavior (Bellizzi and Hite 1989; Wotruba 1990). Another reason for the negative image may be that the public is most familiar with industries, companies, and salespeople that use questionable sales tactics (Anderson 1996). The generally poor reputation of sales careers might also foster a form of self-selection into the occupation in which individuals who enter sales might differ in terms of their ethical philosophies and standards (Sparks and Jolhke 1996; Weeks and Muehlbng 1987).

To date, however, there is little evidence that sales managers differ from others in terms of moral philosophy. In one study, Dubinsky and Gwin (1981) found that salespeople were less sensitive to ethical problems than their buyers. Singhapakdi and Vitell (1992), conversely, discovered no significant differences between those in sales and other marketers on perceptions of ethical problems or deontological norms, although those in sales were more likely to rate self-interest above the interests of others. Henthorner, Robin, and Reidenbach (1992) found that sales managers were less critical of unethical behavior than other managers.

Research has not directly compared the moral philosophies of sales managers with other marketers. We believe that sales managers may differ from other marketers in terms of relativism and ideal-
Table 1
Forsyth's Taxonomy of Personal Moral Philosophies

<table>
<thead>
<tr>
<th>High Relativism</th>
<th>Low Relativism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Situationists</strong></td>
<td><strong>Absolutists</strong></td>
</tr>
<tr>
<td>High Idealism</td>
<td></td>
</tr>
<tr>
<td>Rejects moral codes.</td>
<td>Accepts moral codes.</td>
</tr>
<tr>
<td>Personal analysis of actions in each situation.</td>
<td>Ethical decisions must not harm others.</td>
</tr>
<tr>
<td>Relativistic.</td>
<td>Deontologist.</td>
</tr>
<tr>
<td>Idealistic skeptic.</td>
<td></td>
</tr>
<tr>
<td>Low Idealism</td>
<td><strong>Exceptionists</strong></td>
</tr>
<tr>
<td>Rejects moral codes.</td>
<td>Accepts moral codes, but open to exceptions.</td>
</tr>
<tr>
<td>Personal values determine judgments, not universal codes.</td>
<td>Optimal outcomes not possible for all.</td>
</tr>
<tr>
<td>Ethical egoist.</td>
<td>Teleologist; utilitarian.</td>
</tr>
</tbody>
</table>

Adapted from Forsyth (1992) and Tansoy et al. (1994)

ism. Sales managers might be less critical of unethical behavior (Henthorne et al. 1992) because they do not believe that they can apply universal principles of morality to a given situation. Singhapakdi and Vitell's (1992) finding that salespeople rate self-interest above the interest of others implies that sales managers might not exhibit an idealistic concern with the welfare of others. Several studies indicate that sales managers evaluate the consequences to the organization of their subordinates' unethical actions before deciding how to discipline them (Bellizzi 1995; Bellizzi and Hite 1989; Hunt and Vasquez-Parraga 1993). Studies also suggest that sales managers consider the performance of the salesperson when deciding whether to punish them for unethical behavior (Bellizzi and Hite 1989). These findings suggest that sales managers might be non-idealistic and relativistic.

H1a: Sales managers will exhibit higher levels of relativism than other marketers.
H1b: Sales managers will exhibit lower levels of idealism than other marketers.

**Personal Characteristics and Personal Moral Philosophy**

Wotruba (1990) suggests that the demographic characteristics of salespeople affect their ethical decision making. Three such characteristics, age, gender, and education, were chosen for inclusion in this study. Extant research in both marketing and nonmarketing contexts has linked these variables with important aspects of ethical decision making such as recognizing ethical issues, making ethical judgments, and forming behavioral intentions.

For example, increasing age has been linked to higher levels of moral judgment (Rest 1986; Thoma 1985) and lower levels of Machiavellianism (Hunt and Chonko 1984). Age has also been shown to relate to greater sensitivity to ethical dilemmas (Dabholkar and Kellaris 1992; Dubinsky et al. 1992; Ruegger and King 1992). A few studies have found a negative relationship between age and relativism (Barnett et al. 1998; Ho, Vitell, Barnes, and Desborde 1997). As individuals grow older, they
appear to rely more on universal principles of morality to guide their ethical judgments and less on societal influence or concern that they will be punished for failing to act ethically. Vitell, Lumpkin, and Rawwas (1991) found evidence of a positive association between age and idealism. As individuals grow older, they might place less emphasis on self-interest and exhibit a greater concern for the welfare of others.

H2a: Older sales managers will exhibit lower levels of relativism than younger sales managers.

H2b: Older sales managers will exhibit higher levels of idealism than younger sales managers.

Gender socialization theory suggests that women are conditioned to reason differently about ethical issues (Gilligan 1982; Mason and Mudrack 1996). Thus, they should be more likely to judge issues in a moral context. Although some studies do not support gender differences on ethical issues (Dubinsky and Levy 1985; Fritzschke 1988; Hegarty and Sims 1978; Jones and Kavanagh 1996; Singhapakdi and Vitell 1990, 1991a, 1991b), research increasingly reveals significant differences. For example, women appear to exhibit higher levels of cognitive moral development and exhibit a greater “ethic of caring” (Gilligan 1982; Goolsby and Hunt 1992). Women seem to be more sensitive to some ethical issues (Chonko and Hunt 1985; Harris and Sutton 1995) and to respond “more ethically” to marketing dilemmas (Dawson 1992, 1997; Ferrell and Skinner 1988; Vitell et al. 1993). Research among marketers has also shown that women rely more on deontological norms when making ethical decisions (Hunt and Vasquez-Parraga 1993; Vitell and Singhapakdi 1993).

Findings concerning gender and relativism have been inconsistent, with one study indicating women as more relativistic (Barnett et al. 1998), another indicating men as more relativistic (Wise 1997), and still others showing no relationship (Barnett et al. 1994, 1996). There appears to be no compelling theoretical rationale for gender differences on relativism. Notwithstanding the inconsistent findings, examining this relationship among sales managers appears warranted. To facilitate analysis, we formalize our expectation of no relationship in a research hypothesis.

Women seem to exhibit a greater ethic of caring than men, which implies an idealistic concern for the welfare of others (Gilligan 1982). The finding that women marketers rely heavily on deontological norms (Hunt and Vasquez-Parraga 1993) also supports gender differences in levels of idealism. Recent empirical evidence among samples of business students and marketing practitioners also supports the hypothesis that women sales managers will exhibit higher levels of idealism than men (Barnett et al. 1994, 1996).

H3a: Women and men sales managers will not differ in terms of relativism.

H3b: Women sales managers will exhibit a higher level of idealism than men sales managers.

Intellectual capacity is regarded as essential for attaining high levels of cognitive moral development (Rest 1986). Ideally, educational attainment broadens the scope of one’s immediate concern from self-interest or concern for one’s immediate family to a consideration of the welfare of the community and society as a whole. Goolsby and Hunt (1992) found a positive correlation between level of educational attainment and cognitive moral development in their study of marketers.

Studies that have examined the relationship between level of education and moral philosophy have so far yielded mixed results. Differences in relativism based on education have not been demonstrated empirically (Barnett et al. 1998; Ho et al. 1997). However, none of the research has been conducted among sales managers. We expect to see a positive association between education and relativism among sales managers. More educated managers are more likely to have been exposed to a variety of ethical viewpoints and world views. They may be unlikely to adopt the non-relativistic position that there are universal principles of morality. Conversely, education appears to be negatively associated with the ethical ideology of idealism (Barnett et al. 1998; Ho et al. 1997). In broadening individuals’ perspectives, higher educational attainment might prompt them to consider that outcomes of ethically ambiguous actions may be positive for some but negative for others. Thus, the individual might be unlikely to adopt the idealistic perspective that ethical actions do not cause harm to anyone.

H4a: More educated sales managers will exhibit a higher level of relativism than less educated sales managers.

H4b: More educated sales managers will exhibit a lower level of idealism than less educated sales managers.
Personal Moral Philosophy and Ethical Judgments

Ethical judgment is the degree to which a particular behavior is considered ethical by an individual (Reidenbach and Robin 1980). Since individual ethical judgment is an evaluation of the “rightness” of an action, an individual’s acceptance of moral philosophies should be key (Hunt and Vitell 1986). Previous studies have found that adherence to deontological and/or teleological norms affects individuals’ judgments about ethical issues (Fritzsche and Becker 1984; Hunt and Vasquez-Parraga 1993; Mayo and Marks 1990).

Research indicates that there is a relatively strong relationship between individuals’ moral philosophy as conceived by Forsyth (1980) and ethical judgments concerning a variety of issues, including contemporary moral issues (Forsyth 1980; Singh and Forsyth 1989), research practices (Forsyth and Pope 1984), and business ethics (Barnett et al. 1994, 1996). Individuals who are idealistic and non-relativistic (absolutists) seem consistently more likely to condemn morally ambiguous actions.

Highly relativistic individuals should be less likely to make harsh judgments about questionable actions, since they believe that it is impossible to apply universal principles or rules to every situation. They may be hesitant to judge others’ behavior without being intimately familiar with the situational factors that contributed to the questionable behavior. However, since idealistic individuals believe that it is possible to avoid harm to all stakeholders if the morally correct action is chosen, they are likely to judge questionable actions with mixed outcomes more harshly than non-idealistic individuals.

Several studies within the field of marketing ethics have addressed the above relationships (Barnett et al. 1998; Ho et al. 1997; Singhapakdi et al. 1995; Tansey et al. 1994; Vitell et al. 1993; Vitell and Singhapakdi 1993). In general, these studies suggest that idealistic and non-relativistic marketers (absolutists) are more likely to rate ethical issues as important and to judge ethically ambiguous actions more harshly than others.

H5: Highly idealistic and non-relativistic (absolutist) sales managers will judge potentially unethical sales practices as more unethical than will situation-ist, subjectivist, or exceptionist sales managers.

Personal Moral Philosophy and Ethical Behavioral Intentions

Behavioral intentions can be defined as an individual’s subjective probability that a given behavioral alternative will be enacted (Ajzen and Fishbein 1980). The Hunt and Vitell (1986) model of ethical behavior posits that deontological evaluations and teleological evaluations influence behavioral intentions indirectly through their influence on ethical judgments. Further, teleological evaluations are hypothesized to directly influence behavioral intentions. Previous empirical research provides some evidence that adherence to classical ethical philosophies do play a role in shaping behavioral intentions. For instance, Fritzsche and Becker (1984) discovered a linkage between utilitarianism and behavioral intentions. Similarly, Fraedrich and Ferrell (1992b), utilizing a system of five moral philosophies, found significant linkages between marketing managers’ ethical philosophy and their behavioral intentions. Mayo and Marks (1990) findings suggest that individuals’ deontological and teleological evaluations of ethical questions are significantly related to ethical behavioral intentions. Hunt and Vasquez-Parraga (1993) found that ethical philosophy affected managers’ behavioral intentions regarding salespersons’ rewards and disciplinary actions.

Little direct evidence exists concerning the impact of personal moral philosophy as conceptualized by Forsyth (1980) and ethical behavioral intentions. Forsyth (1992), however, suggests that individuals’ moral philosophies will influence behavioral intentions regarding business ethics issues. It is expected that sales managers with different moral philosophies will differ in their ethical behavioral intentions and that absolutist sales managers will be less likely to form intentions to practice potentially unethical sales activities.

H6: Highly idealistic and non-relativistic (absolutist) sales managers will be less likely to express intentions to engage in a potentially unethical sales practice than will situationist, subjectivist, or exceptionist sales managers.
Methodology

Questionnaire

Data were collected as part of a larger study of marketing professionals. A self-administered questionnaire was designed to assess personal moral philosophy, ethical judgments, and ethical behavioral intentions, as well as demographic characteristics. Three ethical scenarios describing potentially unethical sales practices were also included.

Sample

The American Marketing Association provided a random sample of 2,000 members who selected Marketing Management/Sales Management as their primary professional interest. Eighty-seven of these were eliminated because of incomplete addresses, etc. A preliminary mail-out to 100 of the marketers was conducted in order to facilitate revision of the instrument and provide information about the likely response rate for the main study.

The final questionnaire was then mailed to the remaining 1,813 individuals. After two separate mailings four weeks apart, 602 marketers responded, a response rate of 33.2%. Following the procedure recommended by Armstrong and Overton (1977), nonresponse bias was estimated by comparing respondents from the first and second wave of questionnaires. No significant differences were found in terms of age, gender, race, company size, industry, job title, idealism, relativism, ethical judgments, or behavioral intentions. As a further check for non-response bias, 30 randomly selected nonrespondents were contacted and asked for demographic information. Their demographic characteristics were then compared to the 602 respondents. No significant differences were detected between nonrespondents and those who responded to either the first or second mailing of the survey instrument.

Twenty-nine percent (n=175) of the respondents indicated that their job title was “Sales Manager.” Demographic information about the sales managers is presented in Table 2. Sales managers differed significantly from the overall sample only in terms of income (lower) and age (younger).

To test H1, responses from sales managers were compared to all other respondents (n=239), excluding the 188 who indicated no job title or that they were sales representatives. Only responses from the 175 sales managers were used to test H2-H6.

Measures

Ethics Position Questionnaire. Personal moral philosophy was assessed using the Ethics Position Questionnaire (Forsyth 1980). The Ethics Position Questionnaire consists of 20 items on 9-point Likert scales, 10 of which are designed to assess relativism and the other 10 idealism. Scores on the two scales can range from 10 to 90, with higher scores indicating higher levels of idealism or relativism. The EPQ has consistently exhibited high levels of reliability and a two-factor solution consistent with the idealism and relativism dimensions (Barnett et al. 1994, 1996; He et al. 1997; Singhapakdi et al. 1995; Tansey et al. 1994; Vitell et al. 1993; Vitell and Singhapakdi 1993).

Cronbach’s alpha in the present study was .81 for the relativism scale and .86 for the idealism scale. The 20 items comprising the EPQ are shown in the appendix, along with the results when the items were factor analyzed.

Multidimensional Ethics Scale. The Multidimensional Ethics Scale (Reidenbach and Robin 1988, 1990) was utilized as a means to evaluate ethical judgments. This scale consists of 8 items on a 7-point semantic differential scale, with items such as “Fair/Unfair” and Morally Right/Not Morally Right.” Respondents judged sales practices contained in three scenarios. Ethical judgment scores were calculated by summing responses to the 8 items and dividing by 8. Cronbach’s alphas for the scale across the three scenarios were .90, .93, and .94, respectively.

Ethical Behavioral Intentions Measurement. Hunt and Vitell (1986) suggest that individual behavioral intentions can be determined by asking individuals to read scenarios that contain ethical dilemmas, and then expressing the likelihood that they will perform the behavior. Respondents were asked to indicate the likelihood that they would engage in the behaviors represented in the scenarios “within the near future,” “within the next year,” and “within the next five years.” Intention scores were measured on a 7-point scale ranging from “highly unlikely” to “highly likely.” Scores were calculated by summing across the items and dividing the total by 3. Cronbach’s alphas for the behavioral intentions scale were .98 for each of the three scenarios.

Ethical Scenarios. Scenarios allow researchers to present concrete decision making situations that approximate real-life situations (Alexander and Becker 1978). Scenarios have been used across a
Table 2
Sample Characteristics* (n=175)

<table>
<thead>
<tr>
<th>Age (years)</th>
<th></th>
<th>Race</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>20-29</td>
<td>24</td>
<td>Black</td>
<td>2</td>
</tr>
<tr>
<td>30-39</td>
<td>57</td>
<td>Hispanic</td>
<td>2</td>
</tr>
<tr>
<td>40-49</td>
<td>14</td>
<td>Asian-American</td>
<td>2</td>
</tr>
<tr>
<td>50-59</td>
<td>4</td>
<td>White</td>
<td>94</td>
</tr>
<tr>
<td>60 or older</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income</th>
<th></th>
<th>Company Size</th>
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</thead>
<tbody>
<tr>
<td>&lt;$20,000</td>
<td>3</td>
<td>&lt;100 employees</td>
<td>21</td>
</tr>
<tr>
<td>$20,000-39,999</td>
<td>28</td>
<td>100-999</td>
<td>35</td>
</tr>
<tr>
<td>$40,000-59,999</td>
<td>38</td>
<td>1,000-9,999</td>
<td>25</td>
</tr>
<tr>
<td>$60,000-79,999</td>
<td>21</td>
<td>&gt;10,000</td>
<td>19</td>
</tr>
<tr>
<td>$80,000-99,999</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&gt;$100,000</td>
<td>5</td>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex</th>
<th></th>
<th>Industry</th>
<th></th>
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<tbody>
<tr>
<td>Male</td>
<td>52</td>
<td>Manufacturing</td>
<td>37</td>
</tr>
<tr>
<td>Female</td>
<td>48</td>
<td>Services</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wholesale/retail</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Communications</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Advertising/MR</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other/no answer</td>
<td>14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marital Status</th>
<th></th>
<th>Educational Level</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Married</td>
<td>66</td>
<td>No degree</td>
<td>4</td>
</tr>
<tr>
<td>Single</td>
<td>34</td>
<td>College degree</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Some graduate work</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Master's degree</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Doctoral degree</td>
<td>1</td>
</tr>
</tbody>
</table>

*Numbers represent percentages. Percentages may not sum to 100 because of rounding.

A variety of disciplines to evaluate ethical judgments and behavioral intentions (e.g., Dubinsky and Loken 1989).

Weber (1992) suggests that previously developed scenarios be used to allow for cross-study comparisons. The three scenarios used in this study were based on the research of Dubinsky, Berkowitz, and Rudelius (1989) and Dubinsky et al. (1992). The first scenario concerned "allowing liking for one customer and disliking another to affect price, delivery, and other decisions regarding terms of sale." This scenario was ranked as most unethical (Dubinsky et al. 1989) and third most unethical (Dubinsky et al. 1992) of twelve sales practices. The second involved "giving physical gifts, such as free sales promotion prizes or purchase volume incentive bonuses" to a customer." This practice was ranked as the sixth most unethical in both earlier studies (Dubinsky et al. 1989, 1992). The third scenario concerned "gaining information about competitors by asking buyers for specific information about these competitors." This practice was ranked as the ninth (Dubinsky et al. 1992) and twelfth (Dubinsky et al. 1989) most unethical practice in the earlier studies.

Results

The sales managers reported a mean relativism score of 48.7 (range 10-90, with higher scores more relativistic) and an average idealism score of 63.1 (range 10-90, with higher scores more idealistic). These levels of relativism and idealism are quite similar to those reported in other studies of busi-
Older sales managers were more accepting of universal moral principles.


Ethical judgment scores could range from 1-7, with higher scores indicating greater moral acceptability. The sales managers' ethical judgment scores for the three scenarios were 2.96, 5.59, and 5.15, respectively. Thus, the sales managers felt that allowing personalities to influence terms of sale was the most unethical practice, which is consistent with previous results (Dubinsky et al. 1980, 1992). The sales managers did not feel that the sales practices described in the other two scenarios were very unethical; the order of the rankings of Scenario 2 and 3 were reversed compared to prior research (Dubinsky et al. 1980, 1992).

Behavioral intentions scores ranged from 1-7, with higher scores indicating a greater likelihood of engaging in the action. Sales managers' reported scores were 2.49, 5.06, and 5.17 for the three scenarios. Thus, sales managers indicated they were unlikely to engage in the behavior represented by the first scenario but more likely to engage in the behaviors represented by the second and third scenarios.

Sales Managers' Relative Level of Relativism and Idealism

To test H1, that sales managers would exhibit higher relativism and lower idealism than other marketers, the sales managers' philosophies were compared to other marketers in the survey who indicated a non-sales specialty. T-tests were used to compare mean responses. The results did not support either H1a or H1b. Sales managers did not exhibit significantly higher levels of relativism (48.68 versus 48.14, p<.73) than other marketers. Rather than exhibiting lower idealism, sales managers actually were somewhat more idealistic (63.05 versus 60.51), although the difference was not a statistically significant one (p<.08).

Personal Characteristics, Relativism, and Idealism

Two analysis of variance procedures were conducted to test the relationship between personal characteristics and moral philosophies. To facilitate the analysis educational attainment was coded as "1" for those with a college degree or "some graduate work" (51 percent of the sample) and "2" for those with a master's degree or greater (49 percent of the sample). The first analysis of variance included relativism as the dependent variable, gender and educational attainment as grouping variables, and age as a co-variates. The second analysis included idealism as the dependent variable. The overall ANOVA model for relativism was significant (F=6.12, p<.005), suggesting that relativism was indeed influenced by sales managers' personal characteristics. The overall model for idealism was also significant (F=5.16, p<.005), indicating that sales managers' level of idealism was influenced by their personal characteristics.

Table 3 provides additional details concerning the relationship between the sales managers' personal characteristics and their moral philosophies. Age was negatively associated with relativism (p<.01), which supports H1a. Older sales managers were more accepting of universal moral principles. In a post hoc analysis, we broke the sales managers into three age groups, <30 years, 30-39 years, and 40 or older. Results indicated a consistently lower mean level of relativism from the younger to the older group of sales managers (53.0, 48.5, and 44.0, respectively). However, pairwise comparisons showed the only significant difference among the three age groups was between the eldest and the youngest group (p<.02). Differences between those under 30 and those 30-39 (p<.09) and between those 30-39 and those 40 or older (p<.14) were not statistically significant.

The hypothesized positive relationship between age and idealism (H2b) was also supported (p<.02). Older sales managers were somewhat more idealistic than their younger counterparts. In a post hoc analysis, we examined sales managers' idealism across the three age groups. Results indicated that those over 40 years old had the greatest level of idealism (67.4) compared to those <30 years (64.5) or those between 30-39 years (61.1). Pairwise significance tests showed that those 40 or older were significantly more idealistic than those 30-39 (p<.02), but not those <30 (p>.35).
Table 3
Sales Managers' Relativism and Idealism Scores by Demographic Characteristics

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Gender</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Relativism</td>
<td>46.0</td>
<td>51.6</td>
</tr>
<tr>
<td>Idealism</td>
<td>60.9</td>
<td>65.5*</td>
</tr>
</tbody>
</table>

Age was a significant co-variate ($F=8.95, \ p < .005$), indicating a negative correlation between age and relativism. Age was a significant co-variate ($F=6.32, \ p < .02$), indicating a positive correlation between age and idealism.

Women sales managers were somewhat more relativistic than men, but the difference did not achieve statistical significance. This supported H3a. The results also supported H3b, as female sales managers were more idealistic than male sales managers (p<.01).

The hypothesized relationship between education and relativism (H4a) was not supported. In fact, the direction of the effect was the opposite of our a priori expectations. Those with higher educational attainment were somewhat less relativistic than others, although the relationship was not significant (p>.08). The hypothesized relationship between education and idealism (H4b) was not supported.

Personal Moral Philosophy and Ethical Judgments

To facilitate analysis of H5, the sales managers were categorized into one of the four personal moral philosophies shown in Table 1 based on their relativism and idealism scores. Consistent with previous research, median splits were used to group the sales managers (Tansey et al. 1994). Median scores on relativism and idealism were 50 and 65, respectively. Those scoring above the median on both dimensions were classified as situationists (n=36). Those scoring above the median on relativism but below on idealism were subjectivists (n=45). Those scoring below the median on relativism but above on idealism were classified as absolutists (n=43). Those who scored below the median on both dimensions were classified as exceptionists (n=41).

To test H5, a multivariate analysis of variance (MANOVA) was conducted with the three ethical judgments as dependent variables and the four categories of moral philosophy as the independent variables. H5 was supported by the results. As shown in Table 4, the MANOVA results were significant (p<.01), indicating that sales managers' ethical judgments of the scenarios differed based on whether they were absolutists, subjectivists, exceptionists, or situationists. Univariate analyses revealed that judgments among the moral philosophy types differed significantly on only the first scenario (p<.004), which dealt with preferences in terms of sales based on personal feelings. This practice was judged as the most unethical of the three practices overall.

Planned comparisons were conducted to determine if absolutist sales managers judged the actions as significantly more unethical than subjectivists, exceptionists, and situationists, respectively. The results showed that absolutists judged the action in the first scenario as significantly more unethical than subjectivists (p<.001) and exceptionists (p<.02). They did not judge any of the three scenarios as significantly more unethical than situationists.

Since situationists, like absolutists, are highly idealistic, we conducted a post hoc analysis in which we grouped them with absolutists and compared their ethical judgments to the subjectivists and exceptionists, both of whom are non-idealistic. Results of this analysis indicated that the high idealists' ethical judgments were more harsh concerning the first (p<.005) and third (p<.04) scenarios. It appears from our results that idealism and not relativism was the key dimension of moral philosophy that explained differences in ethical judgments among the sales managers. This result is similar to...
Table 4
MANOVA Results, Means*, and Univariate Significance Levels: Ethical Judgments and Behavioral Intentions by Ethical Ideology

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Situationist</th>
<th>Subjectivist</th>
<th>Absolutist</th>
<th>Exceptionist</th>
<th>F</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Judgment 1st Scenario</td>
<td>2.91</td>
<td>3.44</td>
<td>2.47</td>
<td>3.03</td>
<td>4.54</td>
<td>.004</td>
</tr>
<tr>
<td>Ethical Judgment 2nd Scenario</td>
<td>5.73</td>
<td>5.87</td>
<td>5.41</td>
<td>5.40</td>
<td>1.27</td>
<td>.257</td>
</tr>
<tr>
<td>Ethical Judgment 3rd Scenario</td>
<td>4.75</td>
<td>5.28</td>
<td>5.07</td>
<td>5.53</td>
<td>1.88</td>
<td>.138</td>
</tr>
</tbody>
</table>

MANOVA results were significant ($F=2.58$, $p < .01$), indicating that ethical judgments across the three scenarios varied significantly by personal moral philosophy.

| Behavioral Intention 1st Scenario | 2.97         | 2.59         | 2.08       | 2.37         | 1.66  | .179    |
| Behavioral Intention 2nd Scenario | 5.48         | 5.53         | 4.52       | 4.72         | 2.75  | .045    |
| Behavioral Intention 3rd Scenario | 5.30         | 5.25         | 4.78       | 5.42         | .92   | .433    |

MANOVA results were not significant ($F=1.48$, $p < .16$), indicating that behavioral intentions across the three scenarios did not vary significantly by personal moral philosophy.

*Ethical judgment mean values ranged from 1-7, with means closer to 1 indicating stronger agreement that the action described was unethical. Behavioral intention mean values ranged from 1-7, with means closer to 1 indicating a smaller likelihood that the respondent would engage in the action described in the scenario.

that observed in prior studies of moral philosophy and business ethics (Barnett et al. 1998; Barnett et al. 1994).

**Personal Moral Philosophy and Behavioral Intentions**

H6 concerned the relationship between personal moral philosophy and behavioral intentions. A second MANOVA was conducted with behavioral intentions for the three scenarios as the dependent variables and the four moral philosophies as the independent variables. As shown in Table 4, the MANOVA was not significant, indicating that sales managers' expressed intentions to engage in the scenario practices did not differ significantly based on personal moral philosophy. Thus, H6 was not supported by the data. Although the overall MANOVA results did not achieve statistical significance, univariate tests revealed that behavioral intentions did differ significantly for Scenario 2.

**Discussion**

This paper reported the results of a national study of the moral philosophies of sales managers. We examined whether the personal moral philosophies of sales managers differ from other marketers, whether personal moral philosophies differ based on demographics, and whether ethical decision making is influenced by personal moral philosophies.
Sales Managers' Degree of Relativism and Idealism

The sales managers did not differ significantly in terms of relativism and idealism from non-sales marketers. Their personal moral philosophies were also similar to those of recent samples of students and marketing practitioners (Barnett et al. 1994, 1996, 1998). This indicates that sales managers are not necessarily more relativistic or less idealistic than others, which is consistent with other research showing no difference between sales managers and other marketers on Machiavellianism, ethical norms, or perceptions of ethical problems (Singhapakdi and Vitell 1992).

This finding is particularly important in that the ethical standards of sales has been criticized quite frequently. To the extent that non-relativism and idealism are associated with more ethical judgments and behavior, one would not expect sales managers to be more unethical than others. These findings suggest that an ethical organizational culture, ethics codes, and ethics training should be as effective with sales managers as other employees.

Establishing an ethical culture with ethics training and codes of ethics should improve ethical behavior in sales. One study reported that only 44 percent of sales training programs included ethics as a topic (Anderson, Mehta, and Strong 1997). Sales managers who receive ethics training designed to increase their sensitivity to ethical issues that are inherent in specific selling situations might similarly encourage their salesforce to improve their ethical practices, which should eventually lead to improved perceptions of sales ethics. Further, perceptions of sales might be improved by sales certification programs that require high ethical standards (Honeycutt, Attia and D'Auria 1996). Companies could use personal moral philosophies to identify sales managers who could most benefit from ethics training and sales certification programs.

Two professional organizations offer professional sales certification programs, Sales and Marketing Executives International and the National Association of Sales Persons. Programs exist for both sales managers and salespeople. These programs impose stringent requirements for the professionalism of sales managers and salespeople. The programs require that those who become certified agree to and adhere to a stated code of ethics (Anderson 1996; Honeycutt et al. 1996).

Personal Characteristics, Relativism, and Idealism

The age of sales managers was associated with both dimensions of personal moral philosophy. Older sales managers were less relativistic, with those 40 and older significantly more likely to accept universal moral principles than those under 30. Increasing age was also associated with greater idealism, with those 40 and older being the most idealistic group. Interestingly, those between 30-39 years of age were the least idealistic age group, suggesting that idealism might not steadily increase as one ages but rather that the level of idealism might vary with individuals' career stage. In general, however, those 40 and older were more likely to exhibit an absolutist philosophy, which is consistent with classical deontology. Conversely, younger sales managers (those under 40) were somewhat more likely to be relativistic and pragmatic in their evaluation of the consequences of actions.

These findings emphasize the importance of training methods used to socialize younger sales managers. Companies should stress the importance of the ethical norms of the company to new hires and younger sales managers. The findings also imply that, if younger managers are to take companies' ethical norms seriously, the reward system must be consistent with proclaimed ethical norms. If companies reward high-pressure or deceptive sales practices, such practices are likely to flourish. A company might encourage more ethical behavior by rewarding sales personnel for having a customer orientation and focusing on the customers' long-term wants and needs (Siguaw, Brown and Widing 1994).

Women are entering the sales profession in increasing numbers and some suggest that because of women's greater sensitivity to ethical issues, they are likely to promote more ethical behavior in the field (Dawson 1992). An important question, then, is whether or not there are gender differences in personal moral philosophy. Among the sales managers in our sample, women were more idealistic than their male counterparts. To the extent that idealism is associated with more ethical judgments and behavior, women sales managers might be more aware of and sensitive to ethical issues. Our results also support previous research that suggests that women who enter sales careers are not less moral or idealistic than women entering other types of careers (Dawson 1992). Though prior empirical evi-
Companies should stress the importance of...

ethical norms...

dence is inconclusive as to whether gender differences in ethical standards exist, our findings of higher idealism among women managers seem consistent with Gilligan's (1992) theory that women, when compared with men, display more concern for relationships and feelings as they reach moral and ethical judgments. The gender differences in personal moral philosophy are intriguing and may become increasingly important as women continue to enter the field.

Although increased education has been shown to predict cognitive moral development (Ho et al. 1997), educational attainment did not appear to be associated with sales managers' personal moral philosophy. A possible reason for the lack of significant findings is the high education level of our sample. Only about 4 percent of the sales managers in our sample did not have college degrees. Therefore, our analysis was severely restricted. Our findings only suggest that the moral philosophies of those with graduate degrees does not differ from those with undergraduate degrees.

Personal Moral Philosophy and Ethical Judgments

Sales managers' ethical judgments across the three scenarios differed based on their personal moral philosophy. Univariate analysis revealed that absolutists (non-relativistic and idealistic) sales managers were significantly more harsh in their ethical judgments of the scenario deemed most unethical overall. These findings imply that the personal moral philosophy taxonomy could be useful in terms of salesperson training (Tansey et al. 1994). Applicants' personal moral philosophy could be used to determine training needs as well as a means to gauge changes in sales managers' philosophies after exposure to ethics training. Such training might include sales ethics scenarios and role-playing exercises designed to heighten awareness of and sensitivity to ethical issues inherent in the selling profession.

Differences in ethical judgment were only significant, however, on the sales practice judged most unethical, that of allowing personal feelings to influence terms of sale. This sales practice dealt with personal relationships between seller and buyer, which might explain why sales managers regarded it as more unethical than the other two sales practices. Jones (1991) suggests that before individuals' ethical decision making processes are triggered, an issue must achieve a threshold level of "moral intensity." The moral intensity of an issue depends on such factors as the seriousness of consequences, the proximity of the victim, the probability of harm coming to others, and societal consensus that the action is morally wrong (Jones 1991). The personal moral philosophy of sales managers may only be relevant, therefore, when an ethical issue surpasses this threshold of intensity. It appears that in our study, only the first of the three scenarios was regarded by the sales managers as morally serious. This apparently triggered an ethical decision making process and the sales managers' moral philosophies affected their judgment of the sales practice.

Idealism appeared to be a more important predictor of ethical judgments than relativism in our study, as situationists and absolutists, both of whom are highly idealistic, judged the sales practices in two of the three scenarios as more unethical than non-idealists. This result is consistent with previous research that has revealed a strong association between idealism and ethical judgments and weaker negative correlations between relativism and ethical judgments (Barnett et al. 1994, 1996, 1998). Companies interested in evaluating and improving the ethical behavior of their sales personnel might be well served to focus on idealism as a potentially important explanatory variable.

An interesting finding in our study was that sales managers differed from respondents in earlier studies regarding their ethical judgments of the scenarios. In earlier studies, the first scenario was ranked as the most unethical while the second and third scenarios were ranked in numerical order. However, in our study, rankings of the second and third scenarios were reversed. A possible reason for the reversal of the rankings of the second and third scenario may lie in the nature of our sample. We
restricted our sample to sales managers, while previous studies focused on field sales personnel (Dubinsky et al. 1980; Dubinsky et al. 1992). Differences in ethical perceptions between sales managers and field sales personnel could lead to increased ethical conflict.

**Personal Moral Philosophy and Behavioral Intentions**

The behavioral intentions of the sales managers did not differ significantly based on moral philosophy, although absolutes were somewhat less likely to perform the actions than situationists or subjectivists. There are several reasons why a stronger relationship was not observed. First, it is likely that ethical judgments mediate the relationship between recognition of an ethical issue and intentions. This is consistent with the theory of reasoned action (Ajzen and Fishbein 1980), which proposes that individuals first form an attitude about an ethical issue (ethical judgment) and then form behavioral intentions based on that attitude. A second possible explanation, mentioned already, is that the managers did not feel that two of the three scenarios were very unethical. Therefore, it is not surprising that their moral philosophy was not a strong predictor of their expressed intentions to perform the practices.

**Limitations and Future Research**

Our study was limited by several factors. We drew our sample from a professional organization whose members may represent a segment of sales managers who are more highly educated and have higher incomes than other sales managers. All of our data analysis was based on self-reports. Our sample size was relatively small. However, we did utilize a national sample of sales managers and respondents represented a variety of organizations and industries.

Respondents indicated their judgments and intentions regarding hypothetical situations. Behavior in actual situations might differ. We used only three scenarios drawn from previous research, two of which were not considered very unethical by our respondents. Future research should utilize a more comprehensive set of sales practices. The fact that respondents did not consider two of the scenarios very unethical raises the question of the effect of moral intensity. The influence of moral intensity on the relationship between personal moral philosophy and ethical judgments should be addressed within a sales context.

Future research should also compare the moral philosophies of sales managers to a variety of other occupations. The relative levels of relativism and idealism among occupational groups might shed light on relative levels of ethical behavior. It might also dispel myths about differences in ethical orientations among people in different occupations.

Future research should also consider the effect of both personal moral philosophy and organizational factors such as organization ethical climate (Schwepker, Ferrell, and Ingram 1997) and reward systems utilized for sales managers. Our findings suggest that sales managers do not differ from other marketers in terms of moral philosophy. Previous research indicates that they do not differ from other marketers on other ethics constructs (Singh and Vitell 1992). It is possible, therefore, that the poor perception of sales ethics among the general public is due to organizational and not individual factors. Many individuals' negative perceptions of sales ethics may result from their frequent exposure to retail salespeople in industries where unprofessional sales practices are perhaps more common than in industrial selling (Honeycutt et al. 1996). Future research should address this issue as well. A simultaneous consideration of industry, organizational, and individual factors is likely to provide a more complete picture of the relative importance of personal moral philosophy and situational factors on ethical decision making.

**References**


(1990), "Toward the Development of a Multidimensional Scale for Evaluating the Ethical Climate and Ethical Conflict on Role Stress in the Sales Force," *Journal of the Academy of Marketing Science*, 25 (Spring), 99-108.


Appendix
Ethics Position Questionnaire*

1. A person should make certain that their actions never intentionally harm another even to a small degree.
2. Risks to another should never be tolerated, irrespective of how small the risks might be.
3. The existence of potential harm to others is always wrong, irrespective of the benefits to be gained.
4. One should never psychologically or physically harm another person.
5. One should not perform an action which might in any way threaten the dignity and welfare of another individual.
6. If an action could harm an innocent other, then it should not be done.
7. Deciding whether or not to perform an act by balancing the positive consequences of the act against the negative consequences of the act is immoral.
8. The dignity and welfare of people should be the most important concern in any society.
9. It is never necessary to sacrifice the welfare of others.
10. Moral actions are those which closely match ideals of the most "perfect" action.
11. There are no ethical principles that are so important that they should be a part of any code of ethics.
12. What is ethical varies from one situation to another.
13. Moral standards should be seen as being individualistic; what one person considers to be moral may be judged to be immoral by another person.
14. Different types of moralities cannot be compared as to "rightness."
15. Questions of what is ethical for everyone can never be resolved since what is moral or immoral is up to the individual.
16. Moral standards are simple personal rules which indicate how a person should behave, and are not to be applied in making judgments of others.
17. Ethical considerations in interpersonal relations are so complex that individuals should be allowed to formulate their own individual codes.
18. Rigidly codifying an ethical option that prevents certain types of actions could stand in the way of better human relations and adjustment.
19. No rule concerning lying can be formulated; whether a lie is permissible or not permissible totally depends upon the situation.
20. Whether a lie is judged to be moral or immoral depends upon the circumstances surrounding the action.

*Each item scored on a 1-9 scale, with higher values indicating stronger agreement with the statement. Items 1-10 are designed to assess idealism; items 11-20, relativism (Forsyth 1980).
## Appendix

**Factor Analysis Results-Sales Managers**

**Ethics Position Questionnaire**

<table>
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<tr>
<th>Question Number</th>
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<tr>
<td>3</td>
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<tr>
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