

HOW DO UNETHICAL SALESPEOPLE SLEEP AT NIGHT? THE ROLE OF NEUTRALIZATIONS IN THE JUSTIFICATION OF UNETHICAL SALES INTENTIONS

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The purpose of this paper is to propose and test a model illustrating the direct effects of five techniques of neutralizations (denial of responsibility, denial of injury, denial of victim, appeal to higher loyalties, and condemning the condemner) on the ethical intentions of salespeople. A sample consisting of 157 salespeople responded to an ethical case scenario survey to reveal that two neutralizations were predominant in influencing ethical intentions: denial of injury and appeal to higher loyalties. These relationships were tested in three sales behavioral settings: sales promoting, customer relationship building and maintenance, and sales organization. A post hoc test of moderation effects were included to shed additional light on how some of the neutralizations interact with ethical judgment to impact salesperson ethical intentions. Implications for research and practice are discussed as well as directions for further research.

Personal selling has long been subject to disapproval and criticism by many due to its disposition for unethical practices (Hair et al. 2009; Hansen and Riggle 2009; Vitell and Grove 1987). Alongside these criticisms, the general public is demanding greater levels of transparency and ethical behavior in organizational operations. This is a response to the many scandals that fill the pages of the press as class-action lawsuits become part of the everyday business life (Jones et al. 2005). Salespeople are called to be judicious about the arguments and incentives they employ when pursuing clients. They increasingly have to be more careful about giving gifts, making product promises, managing expense accounts, as well as protecting against unethical demands (Jones et al. 2005). However, despite the increased focus on sales ethics in business research (Hair et al. 2009), little research has been conducted on justification techniques or attitudinally incongruent behavior in general (Holland, Meertens, and Van Vugt 2002). In addition, the marketing literature has largely ignored the study of deviant behaviors, such as not following organizational policies (Darrat, Amyx, and Bennett 2010).

A way to explain justification of attitudinally incongruent behavior lies in the study of neutralization techniques (Sykes and Matza 1957), which describes the mechanisms that facilitate behavior by “justifying” or “neutralizing” a person’s unethical actions. Neutralizations have been applied in various contexts and are well established in psychological studies that

address deviant behavior; however, little work has been done in marketing. Chatzidakis, Hibbert, and Smith (2007) applied neutralization techniques in an exploratory manner to explain the attitude–behavior discrepancies regarding consumers’ fair trade purchase behavior. Strutton, Pelton, and Ferrell (1997) found that neutralization techniques were used to justify unethical behavior in retail settings. Aside from these studies, little has been found in the marketing literature to address individuals’ utilization of neutralizations. The inclusion of neutralization techniques in marketing ethical research is a much needed contribution as it promises to help better explain how incongruent or illegal behavior is justified (Amyx et al. 2008; Chatzidakis, Hibbert, and Smith 2007).

Neutralizations might be especially appealing for salespeople, as most of their work is segregated. Salespeople are boundary spanners with much interaction between their organization and their customers. Because of this, salespeople deal with unethical challenges on a regular basis as they work. While creating new customer alliances and sustaining relationships with current customers, they are constantly pressured to balance buyer’s and seller’s interests while being financially efficient (Amyx et al. 2008; Caywood and Laczniack 1986; Hansen and Riggle 2009; Ingram, LaForge, and Schwepker 2007). Overseeing all of these salesperson activities are sales force managers who have the responsibility to coach and to be certain that salespeople are aware and observant of the representations they make to customers. Furthermore, globalization and the prevalent business and ethical environments pressure managers and companies to focus on recruiting and selecting the “right” salesperson candidates (Jones et al. 2005). A sales force that does not follow ethical and legal standards can have negative consequences on an organization’s performance. Therefore, an in-depth look into this area can be valuable for

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marketing academicians and practitioners (Darrat, Amyx, and Bennett 2010).

The present study builds on the existing literature by examining whether neutralization techniques have an impact on activities that salespeople perform. To date, the topic has been studied relative to misconduct within various occupational settings outside of sales (e.g., organizational, law enforcement, professional services). Thus, our main contribution to this literature is based on a presentation of neutralizations and their application in the professional sales domain—an area not yet studied. To do this we identified three key areas where salespeople are prone to use neutralization techniques: sales-promoting behavior, customer relationship building and maintenance behavior, and sales organization behavior. Furthermore, we empirically test whether neutralizations have a direct effect on ethical intentions among salespeople. Identifying the specific neutralizations that salespeople might turn to is of practical interest as well. For example, if sales managers could better understand a salesperson's ethical reasoning, they might be in a position, through training and coaching, to influence the ethical intentions of the salesperson to do what is right.

THEORETICAL BACKGROUND

Ethics

Ethics is a construct that has been widely studied and accepted in marketing. Initially, research in marketing ethics was conducted via descriptive studies that focused on ethical differences among groups involved in the sales process across individual, organizational, and environmental factors (Ferrell, Johnston, and Ferrell 2007). Prescriptive studies that developed ethical decision-making models followed, leading to a significant advancement in ethics research (Ferrell and Gresham 1985; Hunt and Vitell 1986; Jones 1991; Trevino 1986). Such advancement led to the creation of two distinctive sales ethics research streams: one that focused on organizational factors and one on individual differences in ethical decision making (Ferrell, Johnston, and Ferrell 2007). Organizational factors center on issues such as organizational climate and culture, managerial decision style, and the use of reward versus punishment (Dubinsky and Loken 1989; Ferrell, Johnston, and Ferrell 2007; Hunt and Vasquez-Parraga 1993). Individual factors include issues such as age, job tenure and background (Dubinsky et al. 1992), gender, education, and ethical values (for a detailed review, see Ferrell, Johnston, and Ferrell 2007).

The study of ethics has been expanded to address how it influences corporate practices. Ethics has been found to lead to higher levels of organizational commitment among employees. As reported by Schwepker (1999) and Valentine and Barnett (2003), the better a company's ethics code matches the employ-

ee's personal code, the greater the likelihood of committed and hardworking employees. However, it remains critical that these ethical values are effectively communicated to the employees (Valentine and Barnett 2003). Adequate communication of the company's code of ethics also influences the employee's perception about the company. Employees who are aware of the existence of such codes tend to perceive the organization as having higher ethical values than those who are not informed about such codes (Valentine and Barnett 2003). Ethics also plays a significant role in the supervisor-employee relationship; it has been found that an ethical climate acts as a predictor of trust in supervisors. These trusting relationships in turn have been shown to impact job satisfaction and organizational commitment and to reduce levels of turnover intentions (Mulki, Jaramillo, and Locander 2006).

Sales researchers have also studied how ethics spreads throughout a firm via its corporate ethical value system and the impact such a system has in the ethical decision-making process of its employees (Amyx et al. 2008). Corporate ethical values have been defined in dimensions relative to customers, peers, superiors, and corporate policies (Wotruba 1990). Furthermore, studies have revealed that an employee's own value system is susceptible to the nature of the company's ethical values (Payne 1980). Originally developed as a construct that measured employees' perceptions of organizational ethics (Hunt, Wood, and Chonko 1989), corporate ethical values have evolved into a multidimensional concept consisting of fairness, organizational commitment, and organizational citizenship. It has been found that a well-defined corporate ethical value system leads to job satisfaction and positive job performance among employees (Amyx et al. 2008). This development is critical because it enables sales researchers to apply the corporate ethical value notion to the role of the salesperson. Research on salesperson ethical values has revealed similar dimensions, including ethics associated with the organization (Chonko, Wotruba, and Loe 2002; Wotruba 1990), ethics associated with the individual salesperson (Schwepker and Ingram 1996), and ethics associated with customer interactions (Ferrell 2004). This allows for research on corporate ethical values to be applied that explains how salespeople make ethical decisions that affect their sales efforts as well as relationships with their customers and organization. We set the stage to do this by first presenting the general theory of marketing ethics, followed by a presentation of the types of justification techniques used to validate ethical decision making.

Ethical Decision Making

The ethical decision-making literature has experienced substantial interest and growth from researchers who attempt to better understand the field and its implications (Chatzikadis, Hibbert, and Smith 2007). In their classic work, Hunt and

Vitell (1986) introduced the general theory of marketing ethics in which ethical judgment is proposed to ultimately influence a person's behavioral intentions. The theory proposes that if an individual perceives to have an ethical problem at hand, the individual will engage in a deontological evaluation, assess the perceived alternatives, and take part in a teleological evaluation of perceived consequences. Several additional frameworks have contributed to the understanding of ethical decision making. For example, Rest (1979) provided a moral judgment model consisting of moral issue recognition, judgment making, prioritizing intended acts, and taking action. Trevino (1986) proposed a person-situation interactionist model that emphasized the importance of reasoning and organizational culture in the decision-making process. Ferrell and Gresham (1985) modeled a contingency framework in which individual and organizational factors as well as the unethical opportunities act to alter or affect an individual's ethical decision making. Within the same research stream, Jones (1991) introduced a sequential model where behavior is ultimately influenced by the individual's perceived intensity of the issue (for a review, see O'Fallon and Butterfield 2005).

Within the personal selling and sales management literature, ethical decision making has also received some limited attention. Ethics, which involves judgments based on right versus wrong or fair versus unfair (Hunt and Vitell 1986), is uniquely relevant to salespeople because of the ethical challenges they face. Often, these challenges are resolved in a questionable manner (Ingram, LaForge, and Schwepker 2007). These challenges are the result of being placed as boundary spanners whose aim is to satisfy individuals inside their organization (e.g., managers) as well as outside (e.g., customers). It is important to note that the dual role that salespeople face should not be overlooked as it would diminish the conflicting ethical issues salespeople encounter (Dubinsky et al. 1992). Overall, ethical salesperson behavior should focus on the interests and well-being of the customer (Roman and Ruiz 2005). This includes communicating with customers in a truthful and accurate manner, offering products and services that will truly benefit the customer, treating and maintaining customer information in a confidential manner, and promising only what can be delivered (Hansen and Riggie 2009). If salespeople act in an ethical manner, they will be able to build and sustain strong customer relationships and they will enjoy higher satisfaction, trust, and commitment levels from their customers (Roman and Ruiz 2005). This benefits the firm by being in a better position to increase market share through cross-selling and/or up-selling.

The Techniques of Neutralization

Neutralization techniques explain how individuals mute or eliminate the negative effect of their norm-violating behavior

(Sykes and Matza 1957) and have become one of the most known and cited theories within the deviant behavior literature (Chatzidakis, Hibbert, and Smith 2007; Minor 1981; Vitell and Grove 1987). The techniques, originally introduced by Sykes and Matza (1957), challenged the predominant school of thought about the idea of a delinquent subculture. This subculture was believed to be a value system that represents an inversion of the values held by respectable, law-abiding society. Sykes and Matza pointed out that delinquents experienced guilt or shame and that that should not be discarded as a manipulative gesture toward the authority that apprehended them. Delinquent behavior is the result of the values and norms of a nonstandard subculture and a large part of delinquent acts are based on justifications that serve as a defense for the misdeed in the individual's mind. The person thinks that the act is valid even though the legal system or society does not share this view. Often, such justifications are portrayed as rationalizations that occur *after* the deviant behavior as protection from self-blame and the blame from society. These justifications can, however, occur *before* the behavior is executed, making the deviant behavior possible. Within the marketing literature, Strutton, Pelton, and Ferrell (1997) suggested that consumers use neutralizations before committing unethical acts; once internalized, neutralizations alleviate guilt or self-blame. These techniques constitute a framework that identifies and explains how individuals justify or eliminate the consequences that their norm-deviant behavior could have on them and on their social relations (Vitell and Grove 1987).

Neutralization techniques not only precede delinquent behavior but, based on the circumstances, make the behavior possible. In these cases, the behavior is perceived as acceptable, right, or fair (Sykes and Matza 1957). Even though neutralizations do not necessarily involve delinquency, Matza (1964) acknowledged that under extenuating circumstances delinquency might take place. This framework is based on five techniques: *denial of responsibility*, *denial of injury*, *denial of victim*, *condemning the condemners*, and *appeal to higher loyalties*. It is critical to point out that individuals may employ more than one technique as a means to justify culpability for an act that is publicly unacceptable and that these techniques, also called "subterranean values," are acquired through a process of socialization where individuals learn their usage through verbal symbols and socially shared rationalizations (Vitell and Grove 1987). Each of the five techniques is explained next.

Denial of Responsibility: With this technique, the individual rejects any responsibility for his or her deviant actions by turning to negations of personal responsibility; he or she might claim the act was an "accident" and that they did not mean it. The link between the individual and the act is broken, leading to a denial of responsibility about deviant acts and as a result the individual is able to deter the blame involved with violations of social norms. The individual who utilizes denial of responsibility

sees him- or herself as “acted upon” instead of “acting” due to forces that are outside or beyond their control (Sykes and Matza 1957). The individual thus sets the path for deviance from the normative system without a direct confrontation of the norms: “I couldn’t help myself, I was desperate” or “I felt compelled to tell the customer that it would work for them for fear of not making the sale” (Vitell and Grove 1987, p. 434).

Denial of Injury: This technique centers on the harm derived from the delinquent act and questions whether anyone was injured by the behavior (Sykes and Matza 1957). In an unclear way, the individual does not perceive that the behavior in question caused major or any damages at all. For example, the individual who employs this technique might see stealing office supplies from the sales office for personal use as simply mischief and say “nobody was really hurt.” Contrary to denial of responsibility, where the link between the individual and the act is broken, denial of injury does establish a link between the two. However, the link between act and injury is the one broken or nonexistent. According to Sykes and Matza (1957), this broken link might be the result of circumstances in which society agrees with the person committing the act and the lack of injury. The agreement is expressed when some issues are seen as pranks or mischief (Sykes and Matza 1957) or when someone says about a deviant act: “What’s the big deal? No one was hurt” (Vitell and Grove 1987, p. 434).

Denial of Victim: This technique occurs when the individual alleges that there is no victim involved in the act. In contrast with denial of responsibility and denial of injury, the individual acknowledges responsibility for his or her actions and the injury or damage he or she caused (Sykes and Matza 1957). However, any “moral indignation” is neutralized or justified by maintaining that there was no wrongful action or injury under the circumstances because the issue is a matter of punishment or rightful retaliation, not a matter of injury, where the victim deserved the injury: “they had it coming.” The individual becomes an avenger and the victim a wrongdoer; some examples are acts against an unfair teacher, theft or damage to a store whose owner was ripping off the neighborhood, or overbilling a customer who complains about the poor service from a salesperson (Sykes and Matza 1957). As noted by Vitell and Grove, the internal dialog would say “it’s their own fault they were taken advantage of” (1987, p. 434). Not only is the existence of a victim denied but the victim is perceived as a person that deserved to be hurt or injured. Another form of this technique lies in the circumstances of the delinquent act itself. If the victim is physically absent, unknown, or vague, such as when delinquent acts are committed against property, the recognition of the victim’s existence is weakened (Sykes and Matza 1957).

Condemning the Condemners: In the fourth technique, the center of attention is shifted away from the person committing the deviant act to those condemning it. The individual

now critiques and condemns those who initially critiqued him or her; they are hypocrites, crooks, or are simply motivated by spite. This view functions as a deflection of the negative sanctions that go along with norm violation (Sykes and Matza 1957). Because the individual’s orientation has shifted toward those in charge of norm enforcing, he or she eventually experiences cynicism against them as well. The individual represses the wrongfulness of the behavior attacking others: “I was only doing what others do all the time,” “all salespeople engage in the act of overselling” (Vitell and Grove 1987, p. 434).

Appeal to Higher Loyalties: In the fifth technique, the individual justifies internal and external social controls by conceding preference to the demands of social groups to which the individual belongs (Sykes and Matza 1957). A common misconception when addressing this technique is to assume that the individual rejects the norms and imperatives of the society at large. On the contrary, individuals might accept the norms, but face the dilemma of whom they are loyal to. The individual fails to follow the law or societal norms to comply with the norms of the group to which the individual belongs. When appealing to higher loyalties, the individual denotes a higher loyalty to his or her group because this group matters more than society itself (Sykes and Matza 1957). An example relative to professional sales would be a situation where a salesperson chooses to pitch a product that the customer does not need in order to appeal to the boss’s request to “do whatever it takes to make quota this month.”

In sum, the techniques of neutralization offer a medium for understanding how individuals employ arguments to justify and exonerate themselves from self-blame and social criticism when displaying unethical behavior (Vitell and Grove 1987).

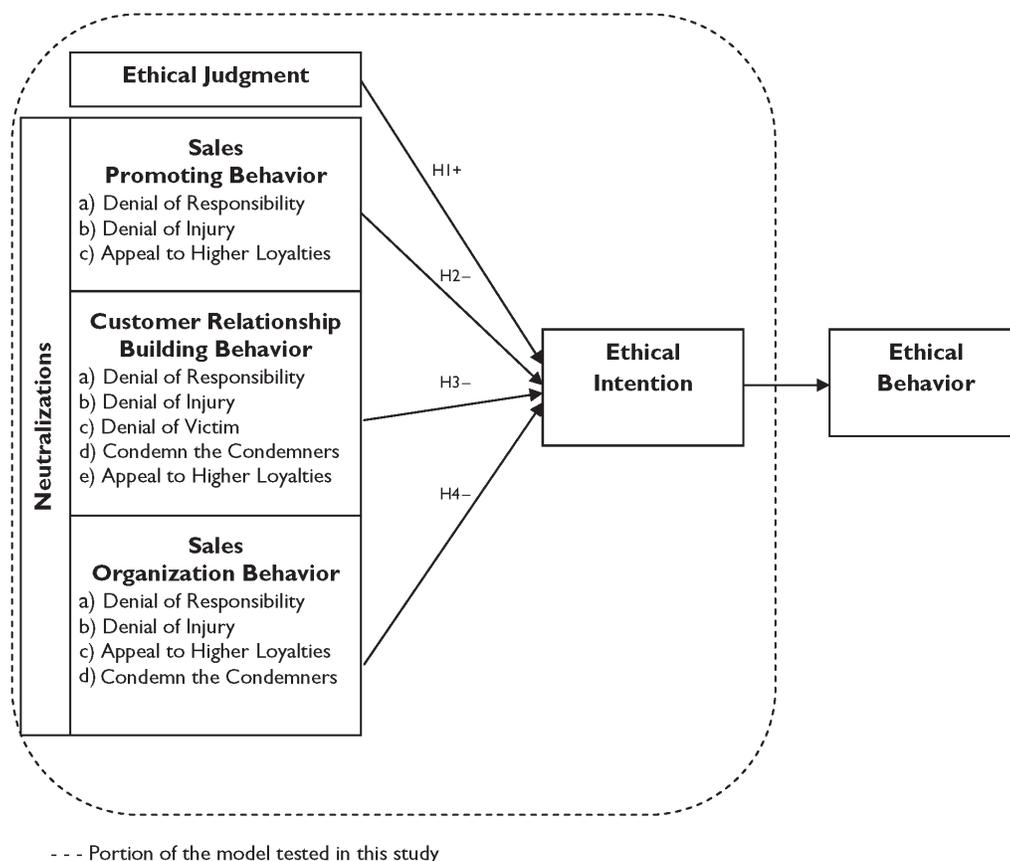
HYPOTHESES

Using the general theory of marketing ethics as a framework, our study focuses on understanding the role that neutralization techniques play in the ethical decision-making process among salespeople. We address this issue by identifying key areas in which neutralizations might influence ethical decision making and the specific neutralization techniques that play a role. We propose that neutralization techniques will influence ethical decision making by significantly affecting ethical intention, thus justifying the unethical acts regardless of the salesperson’s ethical judgment. We test this in three areas of sales behavior: sales promoting, customer relationship building, and sales organization. Figure 1 illustrates the proposed framework.

The Ethical Judgment—Ethical Intention—Ethical Behavior Links

The general theory of marketing ethics (Hunt and Vitell 1986) is one of the most accepted ethical theories in the marketing

Figure 1
Proposed Framework—General Theory of Marketing Ethics and Neutralization Theory



field. The theory suggests the possible elements of the decision-making process when an individual faces an ethical issue. Hunt and Vitell proposed that once an individual recognizes an issue as ethical, the individual will evaluate the behavior to form a judgment. The evaluation formed by deontological evaluations, to assess the perceived alternatives, and by teleological evaluations, to assess perceived consequences. In turn, ethical judgment will influence ethical intentions and ethical intention and situational constraints will determine behavior (Hunt and Vitell 1986). This model has been consistently addressed and supported throughout the literature (see Dubinsky and Loken 1989; Jones 1991; Moores and Chang 2006; Rest 1986; Wagner and Sanders 2001) and the personal sales and sales management area has not been the exception in addressing the ethical judgment–intention–behavior model (see Ferrell, Johnston, and Ferrel 2007; Hunt and Vasquez-Parraga 1993; McClaren 2000; Menguc 1998; Valentine and Barnett 2007). Based on the ample support that the general theory of ethics has received, and because of the difficulties in measuring actual ethical behavior, this paper will focus on the ethical judgment and ethical intention link. Thus, our central premise suggests:

Hypothesis 1: Ethical judgment is positively related to ethical intention among salespeople.

The Role of Neutralization Techniques

Hunt and Vitell (1986) argued that individuals will experience guilt as a result of their intentions and behavior not matching their ethical judgments. However, there are times that individuals are able to soften or block this guilt by neutralizing any applicable norms and thus eliminate or reduce guilt. Neutralization techniques explain how individuals, who are still committed to conventional norms, remove any negative impact or exonerate themselves from their inappropriate behavior by neutralizing their thoughts and behavior. We propose that a salesperson will turn to these neutralization techniques *before* behaving in an illegal or unethical manner. The techniques will impact ethical intentions, allowing for the deviant behavior to occur as the techniques soften or eliminate any guilt or remorse that the salesperson experiences when judging an issue and assessing his or her intentions. To further understand the techniques' influence, studies that have addressed the neutralization techniques in professional

Table 1
Professional Areas that Lead to the Use of the Techniques of Neutralization

Neutralization Technique	Sales-Promoting Behavior (Piquero, Tibbets, and Blankenship 2005; Vittel and Grove 1987)	Customer Relationship Building and Maintenance Behavior (Evans and Porche 2005; Gauthier 2001; Rosecrance 1988; Sykes and Matza 1957)	Sales Organization Behavior (Hollinger 1991; Pershing 2003; Piquero, Tibbets, and Blankenship 2005; Vittel and Grove 1987)
Denial of Responsibility	√	√	√
Denial of Injury	√	√	√
Denial of Victim		√	√
Condemning the Condemners		√	
Appeal to Higher Loyalties	√	√	√ ^{1,2}

¹ Pershing (2003) reported that individuals who chose to report their peers' misconduct *appealed to higher loyalties*. However, the study recognized the possibility that those who did not report peer misconduct might be appealing to *higher* loyalty as well. In this case, loyalty to their peer supersedes loyalty to the institution.

² In addition to employing some of the techniques proposed by Sykes and Matza (1957), Piquero, Tibbets, and Blankenship (2005) reported that older or more experienced professionals were influenced by two additional justifications: the most important issue at stake is profit and anything is justified to make such profit.

settings were reviewed and three areas were identified to be prone to the use of these neutralizations: sales-promoting behavior, customer relationship building and maintenance behavior, and sales organization behavior. Based on studies of neutralization, specific techniques can be deemed relevant to each of these three behavioral areas. Table 1 illustrates these three areas and denotes the subset of neutralization techniques that are predicted to apply to each. Each area of sales behavior is further defined with specific hypotheses developed.

Sales Promoting

Salespeople may utilize neutralizations in situations where sales-promoting activities are involved. The work of Piquero, Tibbets, and Blankenship (2005) supports this notion, as they evaluated the likelihood of individuals to engage in the promoting and sales of a hypothetical pharmaceutical drug that was about to be recalled. The results of their study showed that in support of promotional activities, denial of responsibility, denial of injury, and appeal to higher loyalties were the techniques selected by the respondents as a rationale to justify their behaviors. Vitell and Grove (1987) also support that denial of responsibility and denial of injury are employed when salespeople attempted to justify certain sales-promoting behaviors. Salespeople who were under fierce and unethical competitive practices felt "acted upon" or "forced to" misbehave so that they would be able to remain competitive. Because competitors were "doing it too," the issue was now the outcome of a nonnegotiable condition and not a matter of personal choice leading to denial of responsibility. Salespeople also exhibited denial of injury when they attempted to excuse the use of

excessive expenditures on sales-promoting activities (Vittel and Grove 1987). For example, when knowingly exceeding budgets allocated for clients' travel and entertainment activities, salespeople might attempt to hide or misrepresent certain expenses, justifying it by claiming that "after all, no one is hurt by this" (Vittel and Grove 1987, p. 434). This can all be summarized by the following hypothesis:

Hypothesis 2: When involved in sales-promoting behaviors, (a) denial of responsibility, (b) denial of injury, and (c) appeal to higher loyalties will negatively affect salesperson ethical intention.

Customer Relationship Building and Maintenance

The role of the modern salesperson is continually changing and a concept that continues to receive strong emphasis is a focus on relationship selling (Weitz, Castleberry, and Tanner 2007). For salespeople, relationships are particularly important because a great deal of the growth and sustainability of their activities depends on repeat business and word-of-mouth reputation. For salespeople who have successfully built customer relationships, behaving in unethical ways toward their customers is likely to damage their customers' trust. Because little has been done to address how salespeople rationalize unethical behavior aimed at their customers, we turned to the research done in other professional areas where client relations are at stake. For example, Rosecrance (1988) demonstrated that public defenders turned to neutralizations to cope with the notion that their services would always be inferior to those provided by private counsel. To cope with such a negative image, public defenders have turned to all five neutralization

techniques when representing their clients. In a related study, Gauthier (2001) identified that when engaged in circumstances that could be questionably ethical, veterinarians would turn to denial of injury and denial of victim to justify their questionable actions, such as providing substandard care to animals. Evans and Porche (2005) reported that speech, occupational, and physical therapists, who develop and maintain a direct and close relationship with their clients because of the nature of their work, turned to denial of responsibility and denial of injury to justify cutting therapy sessions short while charging for a full session or charging individual session rates for group therapy.

Salespeople must also maintain customer relationships with those with whom they have no direct physical contact. For example, many inside salespeople center their activities on attending to customer needs via the telephone or Internet (Weitz, Castleberry, and Tanner 2007). Neutralization research has identified that people are likely to turn to these techniques when a person denies the existence of a victim, especially when the victim is “physically absent, unknown, or a vague abstraction” (Sykes and Matza 1957, p. 668). Because the victim is physically absent or unknown, a diminished awareness as to who is the victim significantly contributes to the person turning to denial of victim (Sykes and Matza 1957). In sales, such diminished awareness of a possible victim might emerge when a salesperson is dealing with a new customer whose long-term potential value has not yet been established. Finally, salespeople, being in the position of having to earn their customers’ trust, may find that the company’s reputation could prevent their relationship-building and maintenance efforts. For example, despite all of the salesperson’s efforts, he or she may be held accountable for a company’s defective product or understaffed customer service department. To shield themselves from the fallout from negative customer perceptions, salespeople might rationalize their behavior by using neutralization techniques. All of this leads us to propose the following:

Hypothesis 3: When involved in customer relationship building and maintenance behaviors, (a) denial of responsibility, (b) denial of injury, (c) denial of victim, (d) condemning the condemners, and (e) appeal to higher loyalties will negatively affect salesperson ethical intention.

Sales Organization

As part of their professional interactions, salespeople maintain relationships and thus engage in interactions with sales managers, peers from the same and different divisions, administrators, and owners. These interactions with fellow members of the organization lead to engaging in many behaviors, some that could turn out to be unethical, allowing for the use of neutralizations. A clear example of organizational behaviors

is described in the work reported by Pershing (2003) conducted in the U.S. Naval Academy. When confronted with questionable occupational conduct of their peers, Naval Academy members employed denial of responsibility and appeal to higher loyalties to justify whether they reported their peers’ occupational misconducts. Those who turned to denial of responsibility pointed out that “time constraints” prevented them from reporting their peers. This constraint is in accordance with Sykes and Matza’s argument that an individual denies responsibility because deviance is “due to forces outside the individual and beyond his control” (1957, p. 667). In this case, time constraints are the force beyond the individual’s control, and thus it is not their responsibility to report misconducts. Appeal to higher loyalties was also employed as a result of academy members’ feelings of stronger loyalty or devotion for their peers relative to the “higher loyalty” felt toward their administrators.

Additional behaviors that show how salespeople may strive to retain or protect their own earnings rather than those of the organization are illustrated by acts where salespeople fail to demonstrate fiscal responsibility to their sales organization. Examples of this include requests for additional customer discounts, rebates, and incentives (to mention a few). As pointed by Vittel and Grove (1987), condemning the condemners might be the technique chosen when individuals choose not to be fiscally responsible to their organization. Such rationalization arises from the notion that the company “does the same thing because they overcharge the customers.” By arguing this view, salespeople are now redirecting the attention to others and protecting themselves.

Alternatively, an additional factor that might lead to the use of neutralizations is the age or career stage of the employee as supported in the organizational behavior literature. Specifically, Hollinger (1991) reported that older professionals had a greater likelihood of using neutralization techniques in corporate environments when justifying property theft than their younger colleagues. Piquero, Tibbetts, and Blankenship (2005) supported this notion when examining corporate crime in the sales area. Their findings exposed that respondents over the age of 35 are significantly more likely to neutralize deviant behaviors by turning to denial of responsibility, denial of injury, and appeal to higher loyalties to justify further marketing of a hypothetical drug that was about to be recalled by the Food and Drug Administration. Vitell and Grove (1987) supported this notion as well because older executives felt greater loyalty to their corporation and corporate superiors than to the government. Vitell and Grove further suggested that salespeople might appeal to higher loyalties when trying to justify product misrepresentation in order to align with their firm’s goal to increase product sales. Thus, our final hypothesis summarizes how salespeople might use neutralization techniques when engaging in sales organization behaviors:

Hypothesis 4: When involved in sales organization behaviors, (a) denial of responsibility, (b) denial of injury, (c) denial of victim, and (d) appeal to higher loyalties will negatively affect salesperson ethical intention.

METHOD

Survey, Procedure, and Sample

A cross-industry sample of 157 salespeople was used to test the study hypotheses. Data were collected by recruiting salespeople to fill out an online survey. To do this, undergraduate students (from three sections of professional sales at two different universities) were given the opportunity to earn extra credit by finding salespeople to participate in the study. Written instructions were provided to the students to ensure that the subjects met the data collection criteria (e.g., business-to-business and business-to-consumer in a nonretail setting). In addition, the subjects were asked to provide contact information, company name, and job function title. The purpose of doing this was to provide a means for the research team to verify and validate the subjects' participation. Sample demographics revealed that the average respondent was male (63.4 percent) and 36.9 years old. On average, the subjects had 12.8 years of total sales experience, of which 7.3 years were selling within their current industry and 3.1 years of tenure selling for their current organization. On average, the respondents earned 64.1 percent of their compensation from salary. The top five industries represented in the sample included publishing/printing (18 percent), manufacturing (15 percent), financial services (13 percent), automotive (7 percent), and real estate (7 percent).

Study Variables

Neutralizations were measured using adaptations of the scales developed by Strutton, Pelton, and Ferrell (1997). Following this methodology, the respondents were asked to rate their agreement with each of the neutralization scales in response to a sales scenario. A scenario-based approach was chosen since it has been shown to improve the chances of obtaining higher quality of data (Fraedrich and Ferrell 1992) while improving measurement accuracy in situations containing an ethical component (Hunt and Vitell 1986). In our case, the scenario described a salesperson who just sold 20 units at full price in order to maximize his or her commissions. The subjects were then asked to indicate on a seven-point Likert scale (1 = "strongly disagree" to 7 = "strongly agree") the degree to which they feel the salesperson's actions were justified. A list of sample items for each of the five neutralizations appears in the Appendix.

To measure ethical intention (*EI*), the same scenario was used and the subjects were asked to indicate their level of

disagreement/agreement on a seven-point Likert scale with statements indicating how they would act in that particular situation (e.g., If this were me, I would have automatically applied the volume discount to the customer's purchase of computers knowing that I did not have to). To measure ethical judgment (*EJ*), we adopted the scale developed by Reidenbach and Robin (1990). This scale is a multidimensional instrument: the first dimension is formed by four items and is a broad-based moral equity construct, the second dimension is formed by two items and accounts for the relativistic aspect, and the third dimension is a two-item social contract dimension. A new brief situation was provided to describe the act of selling a product/service at full price to maximize sales commission versus discounting the price and receiving a reduced commission. The subjects were then asked to rate eight descriptor pairs (e.g., unjust/just, unfair/fair, not morally right/morally right) using a seven-point scale (1 = "more like the first descriptor in the pair" to 7 = "more like the second descriptor").

To delineate between the three types of sales behaviors (sales-promoting, customer relationship/maintenance, and organizational behavior), control measures were captured using scales from the existing sales literature. Two single-item direct measures were used to isolate sales-promoting behaviors: the percentage of total financial compensation from commission (*PC*) and bonus (*PB*). These were deemed appropriate since salesperson compensation for sales-promoting behaviors typically involves some aspect of variable commission and bonus. Sales applications involving customer relationship building and maintenance behaviors were identified using a measure of customer relationship orientation (*CRO*) developed by Mallin and Pullins (2009). Using this measure, the subjects were asked to rate themselves on a continuum relative to nine dimensions pertaining to how they approach their sales job to promote productive customer relationship building (e.g., *transaction* versus *relationship* focus, *tell* versus *ask* customers about needs, *push* products/services versus *help* solve problems). Ethical applications involving sales organizational behaviors used a measure of organizational commitment (*OC*) using seven items adapted from the Mowday, Steers, and Porter (1979) scale. *Age* was captured merely by asking the subject to indicate a number (in years).

Analysis Techniques and Measurement Validation

SmartPLS (Ringle, Wende, and Will 2005) was used to estimate the measurement model and test the hypothesized path relationships using a (partial least squares) structural model (Anderson and Gerbing 1988; Jöreskog and Sörbom 1984). PLS was used because it has no distribution constraints and is appropriate for analyzing small samples (Chin 1998). In addition, the PLS procedure has been gaining interest and use

among researchers in recent years because of its ability to model latent constructs under conditions of nonnormality and small to medium sample sizes. Being a components-based structural equation modeling technique, PLS is similar to regression, but simultaneously models the structural and measurement paths (Chin, Marcolin, and Newsted 2003). Table 2 shows the correlations, means, standard deviations, reliability, and convergent validity estimates of the model variables. Ensuring the reliability of our measures, all of the Cronbach's alpha values exceeded the acceptable recommended threshold of 0.7 (Nunnally 1978). Composite reliability values for all the variables were above the recommended 0.6 level (Chin 1998). Convergent validity of each construct was assessed by examining the average variance extracted (AVE) values. All of the values exceeded the 0.5 level considered to be acceptable in exploratory studies (Chin 1998; Chin, Marcolin, and Newsted 2003). Discriminant validity was assessed by comparing the interitem correlations of each variable to ensure that it did not exceed the value of the item correlation to its own construct. Common method variance was assessed using Harman's single-factor test and based on the result was deemed inconsequential. The model fit and test of the individual hypotheses were then assessed by examining the magnitude (beta coefficient) and statistical significance (t -value) of the path estimates and construct R^2 values.

RESULTS

The overall explanatory power of our models was assessed using the R^2 values of each while the individual hypotheses were evaluated based on the beta- and t -values of the path coefficients. The hypothesized (positive) main effect of salesperson ethical judgment on salesperson ethical intention was supported in all of the models ($\beta = 0.16$, $t = 1.73$). Thus, H1 is supported. The variables of the sales-promoting behavior model explained about 26 percent of the variability in salesperson ethical intention (adjusted $R^2 = 0.255$). This model was supportive of two of the three hypothesized neutralization relationships. *Denial of injury* (DOI) was a significant predictor that would negatively impact salesperson ethical intention ($\beta = -0.31$, $t = 2.68$) as was *appeal to higher loyalties* (AHL) ($\beta = -0.13$, $t = 1.25$). These results support H2b and H2c. Our hypotheses suggesting a negative relationship between salesperson ethical intention and the neutralization *denial of responsibility* (DOR) ($\beta = -0.05$) was not supported (H2a). In the customer relationship building and maintenance behavior model, about 30 percent of salesperson ethical intention was explained by the variables (adjusted $R^2 = 0.298$). In this model, the hypothesized negative relationships between salesperson ethical intention and DOI ($\beta = -0.18$, $t = 1.42$) as well as AHL ($\beta = -0.26$, $t = 2.27$) were supported. Thus, H3b and H3e were supported. Subsequently, support was

not found for H3a, H3c, and H3d. The three hypothesized paths not supported were DOR ($\beta = -0.06$), *denial of victim* (DOV) ($\beta = -0.10$), and *condemning the condemners* (CTC) ($\beta = 0.12$). Lastly, the variables of the sales organizational behavior model explained almost 27 percent of ethical intention (adjusted $R^2 = 0.265$). In this model, only one hypothesized relationship was found to negatively impact salesperson ethical intention, DOI ($\beta = -0.30$, $t = 2.29$), thus supporting H4b. The other hypotheses, H4a, H4c, and H4d, were not significant: DOR ($\beta = -0.04$), DOV ($\beta = 0.01$), and AHL ($\beta = -0.10$). Table 3 reports all of these model statistics and summarizes our findings.

DISCUSSION

The general theory of marketing ethics was used as a framework to study how salespeople justify their behavior in the areas of sales promotion, customer relationship building and maintenance, and sales organization behaviors. The basic premise of the theory, that ethical judgment leads to ethical intentions and then behaviors, was supported in all areas of the study. More importantly, the study contributes to the ethics literature by identifying that when certain neutralization techniques are employed, the salesperson's ethical judgment and ethical intention may be incongruent. Specifically, salespeople turn to two of the five neutralization techniques to justify their intended actions and alleviate any remorse that they might experience from ensuing behaviors. *Denial of injury* and *appeal to higher loyalties* were the viable solution for salespeople to be able to reconcile any internal conflict and protect themselves from the shame of unethical intentions. We see the use of these neutralizations as the enabling thought processes that shield salespeople from their guilt, shame, or remorse. In the salesperson's view, these justifications become defense mechanisms for their unethical intentions relative to acts toward their customers, their organizations, and society at large. Salespeople are not completely desensitized or completely opposed to codes of behavior and policies; they remain committed to these standards, but neutralizations allow them to engage in questionable acts without severely damaging their self-image (Sykes and Matza 1957).

Denial of injury was a key neutralization technique as it consistently played a significant role in all areas of the study. Salespeople negate the existence of any negative outcome from their intentions and simply perceive a potential unethical behavior as being mischief or common practices such as "part of doing business." When engaged in sales-promoting as well as relationship-building and maintenance behavior, salespeople might see it justifiable to engage in certain violations by downplaying any injury or harm derived from their actions. One possible explanation might be found in the nature of the job and competitiveness of their industries. Working

Table 2
Correlations Among Variables, Descriptive Statistics, and Psychometric Properties

	<i>EI</i>	<i>EJ</i>	<i>DOR</i>	<i>DOI</i>	<i>DOV</i>	<i>CTC</i>	<i>AHL</i>	<i>PC</i>	<i>PB</i>	<i>CRO</i>	<i>OC</i>
<i>EI</i>	0.94										
<i>EJ</i>	0.28	0.94									
<i>DOR</i>	-0.36	-0.26	0.75								
<i>DOI</i>	-0.44	-0.38	0.56	0.75							
<i>DOV</i>	-0.42	-0.32	0.54	0.74	0.78						
<i>CTC</i>	-0.46	-0.29	0.56	0.63	0.63	0.78					
<i>AHL</i>	-0.36	-0.22	0.61	0.59	0.60	0.72	0.89				
<i>PC</i>	0.04	0.03	0.02	-0.06	-0.02	0.08	-0.02	1.00			
<i>PB</i>	0.06	-0.11	-0.06	-0.05	-0.05	0.02	0.12	-0.07	1.00		
<i>CRO</i>	-0.13	-0.14	-0.14	0.01	-0.06	-0.21	-0.26	0.06	-0.05	0.83	
<i>OC</i>	-0.16	-0.15	-0.21	-0.09	-0.21	-0.19	-0.21	0.11	0.08	0.50	0.92
Age	-0.15	-0.08	-0.01	-0.17	-0.17	-0.10	-0.15	0.24	0.14	0.28	0.23
Mean	5.17	4.02	3.14	3.24	3.17	2.74	3.03	45.19	14.47	5.35	5.40
SD	1.40	1.52	1.29	1.45	1.42	1.46	1.62	31.52	14.68	1.35	1.25
AVE	0.79	0.71	0.67	0.67	0.54	0.67	0.74			0.51	0.67
CR	0.92	0.95	0.86	0.86	0.82	0.86	0.92			0.86	0.93

Notes: Cronbach's alpha are in boldface along the diagonal. *EI* = ethical intention, *EJ* = ethical judgment, *DOR* = denial of responsibility, *DOI* = denial of injury, *DOV* = denial of victim, *CTC* = condemning the condemners, *AHL* = appeal to higher loyalties, *PC* = percent of compensation from commission, *PB* = percent of compensation from bonus, *CRO* = customer relationship orientation, *OC* = organizational commitment, *Age* = age in years, *SD* = standard deviation, *AVE* = average variance extracted, *CR* = composite reliability.

alone in pursuing and closing sales and being pressured to remain competitive, salespeople can use denial of injury to deal with the role conflict and stress of the job. Relative to interactions with their sales organizations, not following policies, inaccurate reporting of time or expenses, and practicing sales activities that do not focus on long-term relationships may be a way for salespeople to cope with feelings that they are not well supported by the organization. Because such actions can be damaging to both the salesperson (e.g., employment termination) and the organization (e.g., loss of business), salespeople may need to be reminded of the detrimental effects stemming from unethical sales practices and sensitized to the tendency for using *denial of injury* to offset good ethical intentions.

Our results reveal a similar effect from the neutralization technique of *appeal to higher loyalties*. When performing sales-promoting behaviors and customer relationship building and maintenance behaviors, salespeople are apparently willing to put their interests ahead of the customer's and justify it based on their loyalties to others (e.g., children, family, social group). For example, a salesperson might base a customer solution on a higher-priced option to earn the largest possible commission. The justification is that the extra money will be used to purchase needed goods for the salesperson's family or provide financial support to a social group or charity. Although, this may seem like an attractive short-term option, the long-term implications could result in lower levels of customer satisfaction, a weakened customer relationship, and ultimately a loss of business.

A finding of this study is that salespeople do not turn to *denial of responsibility* when engaged in sales-promoting behaviors, customer relationship building and maintenance behaviors, or sales organization behaviors. Statements such as "I needed the money," "It was beyond my control," and "The customer did not ask for it" are apparently not typical justifications of unethical intention among our salesperson sample. These nonsignificant findings suggest that in the face of questionable acts, salespeople do not see themselves as being "acted upon" or that their behavior just happen to be an "accident." Another study finding is that salespeople do not turn to the technique of *denial of victim* when engaged in relationship building and maintenance behaviors or in their interactions with their sales organizations. Apparently, individuals are willing to acknowledge personal responsibility for their actions and do not agree that the other person involved deserves any injury that would be the result of their intended behaviors. The customer and the sales organization remain protected because salespeople do not view the situation as "they had it coming" or see them as a "wrongdoer." As a boundary spanner, the salesperson continues to work with everyone's best interest in mind.

Lastly, it is important to emphasize that the neutralization techniques are learned responses that tend to be socially reinforced to protect an individual from self-blame (Vitell and Grove 1987). However, they will not completely neutralize any guilt or shame experienced. Guilt and shame can still be

Table 3
Model Path Effects

	Effects on Ethical Intention (EI)			
	All Applications	Sales Promoting Behavior	Customer Relationship Building and Maintenance Behavior	Sales Organization Behavior
Ethical Judgment (EJ)	0.16 (1.73)**	0.12 (1.21)*	0.14 (1.66)**	0.16 (1.96)**
Neutralization Techniques				
Denial of responsibility (DOR)	-0.05 (0.38)	-0.05 (0.46)	-0.06 (0.48)	-0.04 (0.44)
Denial of injury (DOI)	-0.20 (1.54)**	-0.31 (2.68)***	-0.18 (1.42)**	-0.30 (2.29)***
Denial of victim (DOV)	-0.07 (0.48)		-0.10 (0.67)	0.01 (0.12)
Condemning the condemners (CTC)	0.11 (0.98)		0.12 (0.95)	
Appeal to higher loyalties (AHL)	-0.22 (1.70)**	-0.13 (1.25)*	-0.26 (2.27)***	-0.10 (0.91)
Control Variables				
Percent of compensation from commission (PC)	-0.11 (1.62)**	-0.11 (0.11)		
Percent of compensation from bonus (PB)	-0.02 (0.22)	-0.01 (0.26)		
Customer relationship orientation (CRO)	0.14 (0.93)		0.18 (1.22)*	
Organizational commitment (OC)	0.11 (1.37)*			0.17 (1.51)**
Age	0.01 (0.14)			0.06 (0.09)
Adjusted R ²	0.315	0.255	0.298	0.265

Notes: Path beta coefficients are presented with corresponding *t*-values in parentheses. * $p < 0.10$; ** $p < 0.05$; *** $p < 0.01$.

experienced by individuals when called to account for their behavior. Nonetheless, the techniques are a key component in diminishing the importance of social and organizational norms, and therefore in justifying deviant behavior. Salespeople apparently tend to disregard the existing normative system in deference to a conflicting way of thinking. When the individual turns to slogans such as “there was no harm,” “it’s no big deal, they had the money,” or “I had to do it to improve my situation,” the likelihood of opting for an unethical action is far more plausible. In sum, some of the neutralization techniques we studied are shown to be a significant variable in existing theoretical models of professional sales, as they not only account for the discrepancies that occur in attitude–behavior models, they also provide an understanding of why intentions may conflict with behaviors.

Given the fact that only two of the neutralization techniques were found to directly impact ethical intention, we

conducted a post hoc analysis to explore whether there was a moderating effect. The basis for this stems from some of the general marketing ethics literature that suggests that neutralization techniques work to moderate unethical behavior in certain settings. For example, Chatzikadis, Hibbert, and Smith (2007) used neutralizations to explain why consumers, during their supermarket consumption, did not commit to buying fair trade products more often. They argued (but did not test) that neutralization techniques moderated the relationship between what a consumer felt was ethical and how he or she actually behaved. Moreover, efforts to identify variables that probably moderate important relationships in the ethical decision-making models are scarce. As noted by O’Fallon and Butterfield (2005) when reviewing the ethical decision-making literature, there is an unexpected lack of emphasis on studying moderating relationships. Especially in sales, paying attention to moderators could largely advance

our understanding of general ethics attitudes, the ethical reasoning process, and “ethical context–job attitudes” relationships (Valentine 2009). Therefore, it is quite possible that in the sales domain, a salesperson can utilize varying degrees of neutralization techniques (e.g., denying responsibility, injury, victimization) that may in turn impact the effect of his or her ethical judgment on ethical intention.

We conducted a post hoc test for this moderating effect by first creating an interaction term for each of the neutralizations with ethical judgment ($DOR*EJ$, $DOI*EJ$, $DOV*EJ$, etc.). The effect of the each interaction term on ethical intention (EI) was assessed by the direction of the beta-value and its t -value (to establish significance). In cases where the ($neutralization*EJ$) $\rightarrow EI$ path was significant coupled with nonsignificant $EJ \rightarrow EI$ and $neutralization \rightarrow EI$ direct paths, we could show a moderating effect. Table 4 illustrates that the only moderation effect was found for the neutralization denial of responsibility (i.e., $DOR*EJ \rightarrow EI$). In each of the areas modeled (sales promoting, customer relationship building and maintenance, and sales organization) the path was negative and significant while the direct $DOR \rightarrow EI$ and $EJ \rightarrow EI$ paths were not significant.

So why does the moderating effect of denial of responsibility act so differently than the others? One possible explanation is that unlike the other four neutralizations, denial of responsibility is centered on the action of an internal force (the salesperson’s own sense of responsibility). Denying there is injury or a victim, appealing to a higher loyalty, or condemning the condemner are neutralizations focused on an external source. This sheds additional light on our study in that when salespeople base their ethical justifications on their own sense of responsibility (which may vary by individual), the degree to which they feel accountable to the situation will drive their intention to behave in an ethical manner. This is an important post hoc observation from this research in that it points to an internal/external dimensionality of neutralization techniques that has the potential for further study. Furthermore, it offers some evidence that the main effects of neutralization techniques, at least in the sales area, are mostly direct.

MANAGERIAL IMPLICATIONS

Our study provides some practical insights for managers. From a recruitment and selection standpoint, values testing can include ethical scenarios and subsequent measures of how salesperson candidates are likely to behave. This may offer some insight into how a salesperson would react to an actual ethical scenario. Although testing can be an effective way to augment the salesperson recruitment and selection processes, human resources managers are cautioned against making hiring decisions solely on the basis of a test (Ingram, LaForge, and Schwegker 2007). From a sales training perspective,

the topic of ethical behavior awareness could be built into the sales training and education program for both new hires and experienced sales reps. Understanding that the increased use of neutralizations could lead salespeople to experience a series of negative effects that might eventually lead to emotional exhaustion, depersonalization, and burnout (Shepherd, Tashchian, and Ridnour 2011), sales managers are cautioned to look for signals that salespeople are using neutralizations to justify their behavior. For example, a salesperson constantly turning to denial of victim or denial of injury can start experiencing a decrease in optimism and enthusiasm. Eventually, a complete disconnect with the customer can occur and cynical statements such as “they deserved not getting a discount” may follow. As this progression occurs, salespeople may experience a reduced level of job satisfaction and commitment, especially among those whose cynicism has escalated. It is important that managers assess whether their sales force engages in the use of neutralizations and rectify such line of thought.

It is also important that while training new employees, salespeople be formally introduced to the concept of neutralizations and are provided with examples so that they at least can recognize this pattern of behavior. Potentially addressing neutralizations in an early career stage may lead to a minimization of their use. Training at this stage should equip salespeople to question their own motives when considering unethical practices. Training and refresher sessions that address neutralizations and their effect could be used as preventive measures as well. Managers should monitor the language and behaviors of younger or less experienced salespeople and use coaching to point out when a pattern of neutralization is developing.

Another key point for managers is that developing an organizational governance system alone is not enough to maximize ethical and policy compliant behavior. Consistency in decision making when enforcing company codes and policies as well as organization-wide support for ethical and policy-compliant behaviors are necessary to maximize ethical behavior. The sales literature has recognized the importance of ethics in sales because of its role in creating new customers (Ingram, LaForge, and Schwegker 2007) as well as increasing buyer trust and commitment (Valentine 2009). With an expanded understanding of how salespeople use neutralization techniques to justify their ethical intentions, managers can be in a better position to support sales-promoting activities, customer relationship–building behaviors, and efficient sales organization practices.

LIMITATIONS AND RESEARCH DIRECTIONS

Certain limitations must be taken into consideration when considering the findings of this study. Social desirability bias is a limitation that could have implications for our results because no measure was included to control for the respon-

Table 4
Post Hoc Analysis—Moderation Effects of Neutralizations on Ethical Intention

	Effects on Ethical Intention (EI)		
	Sales-Promoting Behavior	Customer Relationship Building and Maintenance Behavior	Sales Organization Behavior
Ethical Judgment (EJ)	0.11 (1.05)	0.04 (0.39)	0.05 (0.49)
Neutralization Techniques			
Denial of responsibility (DOR)	-0.04 (0.47)	-0.06 (0.48)	0.01 (0.09)
Denial of injury (DOI)	-0.45 (3.31)***	-0.32 (2.79)***	-0.38 (3.26)***
Denial of victim (DOV)		-0.18 (1.51)*	-0.12 (0.93)
Condemning the condemners (CTC)		-0.22 (1.98)**	
Appeal to higher loyalties (AHL)	-0.10 (0.87)	0.09 (0.76)	-0.04 (0.32)
Interaction of Neutralization * EJ			
DOR * EJ	-0.27 (1.40)**	-0.36 (1.49)**	-0.37 (1.28)*
DOI * EJ	-0.28 (1.46)**	-0.18 (1.16)*	-0.26 (1.50)**
DOV * EJ		0.37 (2.12)**	0.27 (1.57)**
CTC * EJ		0.05 (0.32)	
AHL * EJ	0.17 (1.01)	-0.07 (0.48)	0.05 (0.28)
Control Variables			
Percent of compensation from commission (PC)	-0.06 (0.11)		
Percent of compensation from bonus (PB)	0.13 (0.26)		
Customer relationship orientation (CRO)		0.27 (3.51)***	
Organizational commitment (OC)			0.30 (3.19)***
Age			0.06 (0.09)
Adjusted R ²	0.441	0.547	0.544

Notes: Path beta coefficients are presented with corresponding *t*-values in parentheses. * $p < 0.10$; ** $p < 0.05$; *** $p < 0.01$.

dents' tendency to under- or overreport unethical behaviors. Our rationale for using a scenario-based approach was to improve the likelihood of obtaining higher-quality data and measurement accuracy, as cited in similar types of studies designed to capture ethical/unethical tendencies (Fraedrich and Ferrell 1992; Hunt and Vitell 1986). Nonetheless, we recognize the importance of accounting for social desirability bias in future studies on this topic. In addition, our sample size, while appropriate for the technique selected, could account for

the lack of support for some of the neutralization techniques in the areas studied. A larger sample size might yield additional results that were not significant in this study. A benefit of a larger sample is that gender differences could be explored to address whether this is a significant factor. Furthermore, we did not account for personal characteristics (conscientiousness, achievement orientation, dominance, inquisitiveness, etc.) and individual differences (optimism, self-efficacy, locus of control, etc.). Adding personal characteristics as well as

individual differences would provide a more comprehensive analysis of neutralization techniques in sales. The study is also limited by having employed only one scenario to test the hypotheses. Using multiple scenarios in subsequent research may strengthen the results by taking into account the variability introduced based on a different set of sales circumstances (e.g., product/service/offering, ethical dilemma, and personal relevance).

An area for further research stems from exploring whether the age of the salesperson has any bearing on the types of neutralizations or the propensity to use neutralizations. Since it is well established that life and work views differ between the various generations, studying younger salespeople (i.e., the millennials) might provide additional insight as to how this demographic uses neutralizations to justify unethical behavior. Other individual characteristics such as cultural background and level of education may be determinants as to how a salesperson views his or her ethical behavior as justified. Additional organizational variables should be incorporated for future study. This is especially important because many neutralization studies have overlooked factors such as perceived distributional fairness, organizational climate, supervisory style, and the sales rewards systems (Ferrell, Johnston, and Ferrell 2007).

CONCLUSION

The purpose of this paper was to present a model that builds on the general theory of marketing ethics to illustrate the significant role of neutralizations in justifying salesperson unethical intentions. Our results show that some neutralization techniques have an impact on a salesperson's ethical intentions, which subsequently might justify questionable or unethical behaviors. These techniques play a direct role in muting and possibly completely negating any shame or guilt experienced by a salesperson for their acts; neutralizations also help to reconcile the salesperson's internal judgment of self. A key finding of this study was that distinct subsets of neutralizations are employed to various extents in sales-promoting behaviors, customer relationship building and maintenance behaviors, and sales organization behaviors. Two of the five neutralization techniques were predominant in the three sales behavior areas. Salespeople turned mostly to *denial of injury* in all of these areas to reconcile behaviors that do not match with their judgment and intentions. The neutralization technique *appeal to higher loyalties* was prevalent in all but the sales organization behavior situation. This might signal that salesperson loyalties to the group of people that they view as "the organization" are strong bonds that act to deter any rationalization of unethical intentions. By turning to appealing to higher loyalties, salespeople are able to be loyal to the groups or individuals they care for and belong to, thus enabling them to reconcile their failure

to follow policies or company norms. Although some of the neutralization techniques did not affect salesperson ethical intention (as predicted), this research does provide incremental knowledge of how the general theory of marketing ethics can be applied to the sales domain. This study will hopefully provide impetus for further research to advance knowledge of how salespeople are likely to act in various situations that present ethical dilemma.

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APPENDIX SAMPLE SURVEY ITEMS

Scenario

Chris sells computers for a living. He just sold 20 computers (units) to a local company at full price. His company allows for a discount on volume sold over 10 units. Chris did not mention this because the customer did not ask for a discount—plus a discount would reduce his commission. His actions are justified because he feels that . . .

Ethical Intention

Referring to the scenario, indicate degree of agreement to the following statements:

1. If this were me, I would have automatically applied the volume discount to the customer's purchase of computers knowing that I did not have to.
2. If this were me, I would have explained to the customer that they are eligible for a volume discount knowing that I did not have to.
3. If this were me, I would think about how my actions would benefit the customer first and me second.

Neutralization Techniques

Referring to the scenario, indicate degree of agreement to the following statements:

Denial of Responsibility

1. The computer company makes a profit whether or not discounts are given.
2. If he/she needed the extra money (commission), he/she had no choice.
3. Given the typical markup, computer companies can barely make any profits on their products.

Denial of Injury

1. The customer still benefits because he/she is acquiring brand new equipment.
2. Given the low markups, customers these days can afford to buy computers more often.
3. It's no big deal—the customer had the money.

Denial of Victim

1. If his/her company paid better, he/she would not have to withhold information from the customer.
2. If customers do not think of asking for discounts, they deserve what they get.
3. No one was really hurt.

Appeal to Higher Loyalties

1. Sales reps have to do whatever they can to improve their personal situation.
2. His/her child may have needed new clothes because of peer pressure at school.
3. If he/she would become unemployed, his/her family will need the extra commission.

Condemning the Condemners

1. It is likely that the customer has done such things before.
2. Customers deserve what they get.
3. The customer probably had it coming.

Ethical Judgment

Referring to the situation, select the best number to describe how you view the situation:

Situation: Selling a product/service at full price while maximizing sales commissions versus discounting the product/service and reducing sales commissions is . . .

Unjust	1	2	3	4	5	6	7	Just
Unfair	1	2	3	4	5	6	7	Fair
Not morally right	1	2	3	4	5	6	7	Morally right
Not acceptable to my family	1	2	3	4	5	6	7	Acceptable to my family
Culturally unacceptable	1	2	3	4	5	6	7	Culturally acceptable
Traditionally unacceptable	1	2	3	4	5	6	7	Traditionally acceptable
Violating an unspoken contract	1	2	3	4	5	6	7	Not violating an unspoken contract
Violating an unwritten contract	1	2	3	4	5	6	7	Not violating an unwritten contract

Customer Relationship Orientation

Select the number that best describes how you approach your sales job:

Order taker	1	2	3	4	5	6	7	Order getter
Transaction focused	1	2	3	4	5	6	7	Relationship focused
Create customer needs	1	2	3	4	5	6	7	Uncover customer needs
Tell customers what they need	1	2	3	4	5	6	7	Ask customers what they need
Push products/services	1	2	3	4	5	6	7	Help customers solve problems
Sell products/services	1	2	3	4	5	6	7	Sell solutions
Short-term focused	1	2	3	4	5	6	7	Long-term focused
Provide no after-sales support	1	2	3	4	5	6	7	Emphasize service after the sale
Product focused	1	2	3	4	5	6	7	Customer focused

Organization Commitment

1. I am willing to put in a great deal of effort beyond that normally expected in order to help my organization be successful.
2. I talk up my organization to my friends as a great organization to work for.
3. I would accept almost any type of job assignment in order to keep working for this organization.