

# In pursuit of short-term goals: anticipating the unintended consequences of using special incentives to motivate the sales force

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## Abstract

Motivating salespeople is one of the core responsibilities of sales managers and a considerable literature has grown around this issue, providing understanding of the processes involved in gaining a motivated sales force. Most of this literature presumes motivation–effort–performance linkages. Recognizing that effort is just one of the possible outcomes of motivation, this study focuses on other potential consequences of motivation, problematic behaviors, i.e., any behaviors discouraged by management due to their portent for harm to the firm. In particular, this study examines the extent that various problematic behaviors are likely to occur under conditions of high motivation to attain short-term targeted goals. Based on a nationwide sample from three multidivisional sales forces ( $n = 827$ ), the results provide numerous insights including the suggestion that company codes of ethics and values stances may only be effective at reducing highly problematic behaviors while lesser problematic behaviors may be more or less intractable. Also, affective commitment and relationship to supervisor may have dampening effects on tendencies toward problematic behaviors while status aspiration and competitiveness, qualities frequently sought in salespeople, may increase these tendencies.

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*Keywords:* Incentives; Sales force; Goals

## 1. Introduction

Much research attention has been directed over the past twenty-five years to ethical issues in marketing ... despite the extant literature on selling ethics, few studies have focused on identifying situations that pose ethical problems for field sales personnel. (Dubinsky et al., 1992)

Corporations are in complex relationships with society, with far greater responsibility than to simply maximize returns for shareholders (Cadbury, 1987). Recognition of this responsibility has led many managers to develop core social responsibility and ethical values and to integrate them throughout the firm. This is evident in company codes of ethics but even more so in efforts to enculturate salespeople through company briefings, sales systems (i.e., job design, training, coaching, rewards), and management support of these values. However, characteristics of the position including high autonomy, rewards focused on commercial success, and an awareness that employing

unethical behaviors comes with little fear of discovery (Dubinsky et al., 1992), can lead to less socialization to these norms (Wotruba, 1990) along with the potential for feeling pressures to deviate from accepted practices during goal pursuit (Singhapakdi and Vitell, 1992). In a sense, though remaining within existing social and legal constraints may be a priority (Andreasen, 1982), sales growth pressures can take precedence (Cadbury, 1987).

Sales systems designed with a short-term emphasis can exacerbate this problem. In fact, short-term pressures can leave salespeople feeling torn by feelings of compromises to long-term goals (Dwyer et al., 1987; Dubinsky et al., 1992), which can include sacrificing long-term growth and profit (Metzger et al., 1993). This is all the more damaging when a focus on short-term goals leads salespeople to engage in behaviors that do not remain within accepted practices. This concern has been voiced by numerous scholars in ethics (e.g., Zahra, 1989; Passas, 1990; Cohen, 1993), organizational behavior (e.g., Trevino, 1986), marketing (e.g., Robin and Reidenbach, 1987), and in specific contexts such as sales force goal setting and reward mechanisms (e.g., Murphy and Dacin, 1998). Clearly, the extent to which problematic behaviors are associated with motivation to pursue goals is an important and ongoing issue facing organizations.

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For clarity, *problematic behaviors* include a broad range of behaviors that would be discouraged by management due to falling outside company value/ethics expectations or are not aligned with the spirit of these expectations. For consistency, this term is used even in instances where earlier work has referred only to unethical behaviors.

The current focus is the question: To what extent should management expect a salesperson to engage in problematic behaviors in pursuing targeted goals and under what conditions are these behaviors more likely? There are important reasons why this question requires attention. First, as noted above, there has been considerable concern voiced over the potential of these behaviors across business domains. Second, linking attractive rewards to short-term goals has been found to lead to problematic behaviors including pulling sales from other periods, lessening cooperation, overemphasizing particular products, exaggerating claims, accepting questionable credit risks and setting aside other responsibilities (Hampton, 1970; Wildt et al., 1980–1981; Wotruba and Schoel, 1983; Moncrief et al., 1988).

This article has two purposes. First, theory and extant research leads to hypotheses concerning the extent problematic behaviors should be anticipated in response to short-term goal/reward mechanisms. Then, hypotheses suggesting conditions under which these means are more likely to occur are introduced. Using a survey design that includes a quasi-experimental manipulation, the hypotheses are empirically tested, providing a number of insights. The resultant discussion should help sales managers anticipate problematic behaviors, along with understanding when control mechanisms are needed so as to reduce the occurrence of these means for goal pursuit. Also, new perspective is given to the motivation–effort–performance linkages inherent in motivation models, thereby enhancing our understanding of the effects of goal setting and incentive systems on the sales force and ensuing company outcomes.

## 2. Theory and hypotheses

With the understanding that motivation is one of the core responsibilities of sales management, considerable literature has focused on the cognitive processes that affect motivation and the behaviors salespeople are willing to direct toward attaining organizational goals. Implicitly using attitude–intention–behavior (AIB) models, sales management research tends to focus on expectancies, instrumentalities, and valences and/or goals characteristics (e.g., clear, specific, and difficult goals) as determinants of attitude, with effort and/or performance as outcomes. Across theories (e.g., expectancy theory by Vroom, 1964; goal theory by Locke, 1968), AIB expectations lead to the conclusion that well-designed goals/rewards mechanisms gain positive attitude, along with greater effort and enhanced performance.

Still, effort is just one of the consequences of motivation. In AIB parlance, intentions concern the choice of behaviors

(means) salespeople choose for goal pursuit. For instance, increased effort is expected when incentives are offered for attainment of short-term goals. However, the means chosen may also include neglect of other responsibilities, product/service misrepresentation, acceptance of poor credit risks, lessening of cooperation among salespeople, and pulling sales from adjoining periods, among others. Noted earlier, there is abundant evidence these behaviors can and do occur, although the extent of their occurrence is unknown.

Generally, the tendency toward problematic behaviors is thought to be greater when rewards are anticipated despite engaging in these behaviors (Hegarty and Sims, 1978), when the behaviors seem likely to go undetected, when supervision is lax toward behavior choice, when intrafirm competition is used for attaining goals, and when peers are viewed as behaving similarly (Zey-Ferrell et al., 1979; Bellizzi, 1995; Bellizzi and Hite, 1989). With so many work environments offering high levels of autonomy, a management nurtured “just get the job done” mindset and perceptions that staying ahead in one’s career comes from taking advantage of opportunities to succeed (cf. Badaracco and Webb, 1995), little wonder that incentives to pursue short-term goals can lead to problematic behaviors.

What of the dampening effects of well-explicated corporate stances concerning social responsibility and business ethics on tendencies toward problematic behaviors? Some suggest these stances reach their potential when they are integrated into the organization’s culture (Robin and Reidenbach, 1987) and that ethical climate affects salesperson’s perceptions of ethical problems (Singhapakdi and Vitell, 1991). Meanwhile, others are skeptical, arguing that many executives become organizational realists (Lewis, 1989) and come to understand that “making the numbers” and “not overinvesting in ethical behavior” are the real corporate drivers (Badaracco and Webb, 1995). For the skeptics, individual differences and company pressures to perform greatly diminish the ideals of these values, with significant numbers ultimately having unethical tendencies (Wood, 1988).

The skeptics may have a point; the presence of organizational codes of ethics has found mixed support in affecting problematic behaviors (Matthews, 1987; Kaplan, 1991; Rich et al., 1990). Even so, corporate stances on social responsibility and ethical values seem certain to have at least some effect on problematic behaviors. Perhaps these efforts are better at eliminating some behaviors (i.e., highly problematic types of behaviors) while other behaviors (i.e., lesser problematic behaviors) might be more or less intractable. This suggests that adherence to stated values may be affected by enculturation, but also by fear of discovery and perceptions of consequences associated with various behaviors.

In sum, in most environments “making the numbers” provides short- and long-term rewards, increasing pressure to attain targeted goals. These pressures can entice salespeople to search for ways to gain an edge. This might seemingly give permission to employ lesser problematic behaviors; engaging in these behaviors has large upsides

(heightened opportunity for goal/reward attainment) with few downsides since minor or no sanctions follow discovery (cf. [Wotruba, 1990](#)). Meanwhile, with organizational safeguards in place, salespeople will understand that the consequences of engaging in certain (highly problematic) behaviors are severe. Thus, these behaviors must be avoided.

**Hypothesis 1a.** Salespeople in companies with organizational safeguards regarding problematic behaviors will not use highly problematic behaviors when pursuing targeted goals.

**Hypothesis 1b.** Salespeople in companies with organizational safeguards regarding problematic behaviors will nonetheless use lesser problematic behaviors when pursuing targeted goals.

Even if organizational safeguards are able to dampen tendencies toward problematic behaviors, managers still need to contend with the possibility that some salespeople may use these means. By identifying which salespeople are more/less prone to choose these means, anticipating and preventing their occurrence (via additional safeguards) is possible. The ensuing discussion focuses on seven variables that might be associated with problematic behaviors including age, education, rank, affective commitment, relationship to supervisor, status aspiration, and competitiveness. There were several reasons for including these variables. First, earlier research and critical commentaries suggest that age, education, and rank are associated with problematic behaviors ([Carroll, 1978](#); [Trevino, 1986](#); [Weisendanger, 1991](#)). Second, considerable research discusses the positive consequences of affective organizational commitment and relationship to superiors ([Scholl, 1981](#); [Tyagi, 1985](#)); these consequences may extend to lessening the likelihood of problematic behaviors. Finally, status aspiration and competitiveness, qualities usually deemed desirable in salespeople since they are associated with striving to succeed, may also increase the likelihood of using problematic behaviors for the same reason. All told, these variables should provide substantial insight into some of the unintended consequences of using short-term goals/rewards mechanisms.

### 2.1. Age

[Kohlberg's \(1969\)](#) stage model of moral behavior suggests that people develop their intellect, along with their moral reasoning, in stages following an intellectual development model. Implying that moral development partly depends on age, adults are generally thought to reach Stage 3 or 4, with some advancing as far as the principled stage (Level 6). Extending this reasoning, [Trevino \(1986\)](#) proposed that moral development does not stop when reaching adulthood, with ongoing opportunities to develop one's personal ethics leading to higher levels of moral development. Related, [Weisendanger's \(1991\)](#) findings led him to assert that "at the very least . . . managers need to be aware of the apparently greater tendency of younger professionals

to 'bend the rules'." These observations lead to the expectation that the older the salesperson, the lower the inclination to engage in either highly or lesser problematic behaviors.

**Hypothesis 2a.** The older the salesperson, the lower the tendency to use highly problematic behaviors.

**Hypothesis 2b.** The older the salesperson, the lower the tendency to use lesser problematic behaviors.

### 2.2. Education

The understanding that moral reasoning is not independent from intellectual ability led [Trevino \(1986\)](#) to propose that there might be a link between education and problematic behaviors. According to [Trevino \(1986, p. 609\)](#), "moral judgement will be significantly higher for managers with higher levels of education than managers with lower levels of education." There are underlying reasons to expect this tendency. With regard to moral decision structure, behaving morally requires recognition of alternatives and affected parties, along with the ability to determine the most moral alternative, prioritize morality, and make one's intentions moral ([Wotruba, 1990](#)). Education, particularly higher education, provides an opportunity to learn critical thinking, to contemplate the effects of actions, and to have greater ethical sensitivity ([Bebeau et al., 1985](#); [Sparks and Hunt, 1998](#)). Thus, those with higher education may more critically evaluate their behavioral choices. Given these arguments and ensuing empirical support ([Trevino and Youngblood, 1990](#)), salespeople with higher education are expected to be less likely to use either the highly or lesser problematic behaviors.

**Hypothesis 3a.** The more educated the salesperson, the lower the tendency to use highly problematic behaviors.

**Hypothesis 3b.** The more educated the salesperson, the lower the tendency to use lesser problematic behaviors.

### 2.3. Rank

Rank is usually accorded to those members of an organization who have achieved high performance and/or appropriate performance levels through time. Thus, those with higher rank have established reputations and secure positions in a company, reducing the performance pressures they may have felt earlier in their careers. Meanwhile, lower-ranked salespeople may feel that failing to perform jeopardizes their opportunity to stay with, or advance within, the firm (cf., [Badaracco and Webb, 1995](#)). As such, lower-ranked salespeople could be more tempted to engage in problematic behaviors to gain advantage. Supporting this, [Carroll \(1978\)](#) reports that lower-rank managers feel more pressure to compromise their personal convictions in order to achieve organizational goals. Moreover, higher-ranked salespeople often serve as role models for junior salespeople, further steering them away from problematic behaviors. Further still, higher-ranked salespeople are more

socialized into the way the organization thinks and acts, making them less inclined to use problematic behaviors (Sparks and Hunt, 1998), as attested to by reports that middle managers feel more ethical than other (lower) level managers (Ferrell and Weaver, 1978). Consistent with these thoughts, salespersons with higher rank are expected to have less tendency to use either the highly or lesser problematic behaviors.

**Hypothesis 4a.** The higher ranked the salesperson, the lower the tendency to use highly problematic behaviors.

**Hypothesis 4b.** The higher ranked the salesperson, the lower the tendency to use lesser problematic behaviors.

#### 2.4. Affective organizational commitment

Defined as the degree that individuals attach themselves to, identify with, and become part of an organization (Johnston et al., 1990), affective commitment has been associated with behavioral patterns that include personal sacrifice for the organization, persistence in behaviors not dependent on rewards, and a preoccupation with the organization (Scholl, 1981), as well as with a keen desire to see the firm prosper and be more effective (Lawler, 1979). With a deep concern for the firm, those with high affective commitment seem unlikely to engage in behaviors that are outside the spirit and letter of organizational safeguards.

Despite this, it also seems possible that those with higher affective commitment might selectively engage in problematic behaviors. In particular, these salespeople might consider lesser problematic behaviors as acceptable means for goal pursuit; perceptions of little or no harm to the firm and increased probability of goal attainment (thereby helping the firm prosper) could make these behaviors seem acceptable. If so, affective commitment might have little/no effect on tendencies toward lesser problematic behaviors. Meanwhile, those with high commitment would be especially prone to avoid use of highly problematic behaviors—the potential harm to the firm would preclude the use of these means.

**Hypothesis 5a.** The higher the affective organizational commitment of a salesperson, the lower the tendency to use highly problematic behaviors.

**Hypothesis 5b.** The effects of affective organizational commitment on problematic behaviors will not be apparent for lesser problematic behaviors.

#### 2.5. Relationship to supervisor

Relationship to supervisor is viewed as the feelings of trust and support a salesperson has in their supervisor, along with the responsiveness of the supervisor to the needs of the salesperson (Graen and Cashman, 1975; Tyagi, 1985). Castleberry and Tanner (1986) relate that one's relationship to their supervisor is along a continuum, from

*close trusted cadre to hired hand*, with those closer to their supervisor receiving more attention, greater support and encouragement, and having feelings of a less formal relationship with their supervisor. Generally, closer relationships are viewed as a motivating factor in behavioral choice.

Salespeople close to their supervisors seem unlikely to risk compromises to this relationship. Problematic behaviors (and accompanying risk of discovery and adverse consequences) may thus tend to be avoided by these salespeople. However, a competing expectation is that salespeople in closer relationships to their supervisors might feel they have a buffer from possible disciplinary actions, believing their supervisors will be more prone to ignore or not severely sanction transgressions (cf. Bellizzi and Hite, 1989). Despite these competing views, only the first assures salespeople that their relationship with their supervisors will not be compromised. Meanwhile, salespersons more distant from their supervisors do not have this relationship to lose; faced with an opportunity to attain valued short-term goals, salespeople more distant from their supervisors may be more likely to engage in problematic behaviors to gain an advantage in goal attainment.

**Hypothesis 6a.** The closer the relationship of a salesperson to their supervisor, the lower the tendency to use highly problematic behaviors.

**Hypothesis 6b.** The closer the relationship of a salesperson to their supervisor, the lower the tendency to use lesser problematic behaviors.

#### 2.6. Status aspiration

Status aspiration, defined as a desire to be dominant and a leader, with a corresponding desire to climb the social status hierarchy (Cassidy and Lynn, 1989), is associated with a high valence for recognition and desiring approval from superiors (cf. Churchill et al., 1997). The heightened attractiveness of these rewards makes goal attainment particularly important for high status aspiration salespeople. This could make these salespeople more prone to “give themselves an edge” by engaging in problematic behaviors—the opportunity for status outweighing discovery potential and associated consequences. Related, one aspect of status aspiration, the desire for glory, has been associated with fraud (Knight, 1984). Despite this reasoning, it is also possible that those with high status aspiration have a heightened concern for discovery and the adverse consequences that follow. If so, those with high status aspiration might be disinclined to engage in problematic behaviors.

Each of these views might be correct to an extent. High status seekers, tempted to engage in problematic behaviors to heighten their chances of goal attainment while simultaneously constricted by fear of discovery, might choose only those behaviors that lead to few repercussions should

discovery occur. Thus, these salespeople may have a reduced tendency to use highly problematic behaviors—the risk and consequences of discovery outweighing the advantages of these behaviors. At the same time, engaging in lesser problematic behaviors could be seen as providing an advantage for gaining status, especially since the perceived risk of serious consequences is absent. Meanwhile, those with lower status aspiration may not be as attuned to the status-oriented consequences of their actions. While these salespeople might also be disinclined to use highly problematic behaviors, lacking the heightened concern for their status, they may nonetheless be more prone to use these behaviors than their higher status aspiration colleagues.

**Hypothesis 7a.** The higher the status aspiration of the salesperson, the lower the tendency to use highly problematic behaviors.

**Hypothesis 7b.** The higher the status aspiration of the salesperson, the greater the tendency to use lesser problematic behaviors.

### 2.7. Competitiveness

Competitiveness-based need for achievement reflects the enjoyment of competition with the ultimate goal of performing better than others (Cassidy and Lynn, 1989). Individuals possessing high competitiveness tend to gauge success by winning. Generally, competitiveness is considered a positive trait in a salesperson because it is thought to contribute to one's drive to succeed. As such, sales force hiring practices often target those with a competitive background. However, with success measured by their performance relative to other members of the organization, those with high competitiveness may also be more aggressive in seeking a competitive edge—problematic behaviors can provide this edge. This expectation has direct parallels in other aspects of society, particularly in sports, where bending the rules to gain advantage often seems the norm. Thus, those with high competitiveness may be inculcated to do whatever it takes to win, constrained primarily by discovery avoidance (fear of penalties).

**Hypothesis 8a.** The higher the competitive-based need for achievement of the salesperson, the greater the tendency to use highly problematic behaviors.

**Hypothesis 8b.** The higher the competitive-based need for achievement of the salesperson, the greater the tendency to use lesser problematic behaviors.

## 3. Methods and analyses

his research consisted of a pilot study with sales managers followed by a salesperson study. The pilot study was used to examine the expectation that not all problematic behaviors are equally problematic. The ensuing salesperson study guided attention to a valued short-term goal and

examined intentions toward the use of problematic behaviors as a means of goal attainment.

### 3.1. Pilot study

A convenience sample of sales managers from the three participating firms was used to assess the level of unacceptability (or, severity) of each of the behaviors. This was undertaken to determine whether the behaviors were considered equally problematic and, presuming variation in management's concern about the various behaviors, to understand which behaviors were of greater or lesser concern. With 15, 8, and 6 sales managers, respectively, the sample size was 29. For the assessment, the managers were asked to consider each of the six behaviors and rate them on a scale anchored 1 (*this action would not trouble or bother management at all*) to 7 (*this action would be severely frowned upon by management*). Using these ratings, a mean unacceptability score was calculated for each behavior (Table 1).

Following this, the behaviors were divided into three categories (highly, moderately, and lesser problematic) based on their mean scores. A second sales management group ( $n=19$ ) was then used to assess the stability of the findings. This group rank ordered the same six behaviors from 6 (*the most severely frowned upon*) to 1 (*the least severely frowned upon*). The rankings indicated the same ordering as the initial findings. These results, consistent with the first management group (albeit this method was a simple ranking procedure), validated the initial findings. For the ensuing analyses, *extra purchases* were considered a lesser problematic behavior, *overemphasis* and *set aside* are moderately problematic, while *credit risks*, *reduce helping*, and *exaggerated claims* are highly problematic.

Table 1  
Extent that behaviors are problematic<sup>a</sup> (sales manager's responses;  $n=29$ )

Item	Label	Mean (1–7)
Encourage closer customers to make extra purchases ahead of schedule	extra purchases	3.6
Overemphasis of contest-related products with customers who might be better suited for other offerings	overemphasis	4.8
Set aside other responsibilities	set aside	4.9
Acceptance of otherwise questionable credit risks	credit risks	5.4
Reduce helping out/sharing info with other salespeople	reduce helping	5.7
Make occasional exaggerated claims of targeted offerings	exaggerate claims	5.8

<sup>a</sup> At the individual company level there were only two variations on this ordering. One company had *overemphasis* and *set aside* in reverse order while another company had *reduce helping* and *credit risks* in reverse order of that shown here. Neither of these variations affected ensuing classification of behaviors into highly, moderately, and lesser problematic so the mean score for the total sample is depicted here.

### 3.2. Salesperson study

In this study, salespeople were presented with a short-term goal that was designed to evoke high motivation for goal attainment. Following this, intentions to use problematic behaviors were measured. Then, a survey included measures for each of the variables introduced in the hypotheses.

#### 3.2.1. Procedure and study materials

The study materials included a questionnaire and a set of sales contests that varied in such dimensions as type and value of award, goal, and duration. Sales contests were the focus due to characteristics that meet the requirements of this study (i.e., short-term goals with attractive rewards). To begin, each respondent looked through the set of contests and selected the one contest they found the most appealing; this was their focus for the ensuing manipulation. Respondents were then asked to assume this contest was being run and, during a contest update, they learned a strong close would give them a good chance of winning. Using a seven-point scale, respondents then indicated the likelihood they would engage in each of the behaviors. Finally, respondents completed the remaining sections of the survey.

#### 3.2.2. Independent variables

*Education* used a single-item six-point scale that asked, “What is your highest educational attainment?” with scores ranging from 1 (*grade school*) to 6 (*advanced degree*). *Age* used a single-item nine-point scale in 5-year increments ranging from 1 (*under 25*) to 9 (*over 60*). *Rank* was designed with the assistance of management groups at the participating firms. The single-item four-point scale ranged from 1 (*sales trainee*) to 4 (*advanced level*).

Each of the ensuing multiple-item measures used seven-point scales anchored *strongly disagree* and *strongly agree*. *Status aspiration* and *competitiveness* were adapted from the 14-item measure used by Cassidy and Lynn (1989). *Organizational commitment* was adapted from the seven-item Jaworski and Kohli (1993) measure. Finally, *relationship to supervisor* measure was adapted from the Tyagi (1985) leadership behavior measure (see Appendix A for descriptions of measures and results of factor analysis).

#### 3.2.3. Data collection

Extensive pretesting led to numerous refinements and helped assure the validity of the multiple-item measures. First, salespeople at an executive development program were asked to comment on the clarity of the items. Next, sales managers from two firms (neither were part of the final sample) provided helpful suggestions. Finally, a complete set of materials, including a management-sponsored cover letter, a set of sales contests, survey and postage-paid return envelope, was mailed to 70 salespeople. Thirty-one responses (a response rate of 44%) were received and further refinements followed.

Table 2

Sample characteristics by company. Total salespeople ( $n = 827$ )

	Company A	Company B	Company C	Significant differences ( $P < .05$ )
Sample size/ response rate	620 (53%)	77 (51%)	130 (54%)	
<i>Independent variables, means (S.D.)</i>				
Education (1–6 range)	4.11 (0.85)	4.40 (1.00)	3.65 (0.79)	B > A > C
Age (1–9)	5.20 (1.86)	5.03 (1.38)	4.54 (1.84)	A, B > C
Rank (1–4)	3.62 (0.60)	3.58 (0.70)	3.50 (0.63)	A > C
Status aspiration (1–7)	5.57 (0.97)	5.33 (1.09)	5.61 (0.99)	–
Competitiveness (1–7)	5.07 (1.19)	4.93 (1.25)	5.13 (1.14)	–
Commitment (1–7)	6.20 (0.72)	5.50 (1.13)	6.15 (0.82)	A, C > B
Relationship (1–7)	5.75 (1.38)	5.63 (1.22)	5.28 (1.62)	A > C

Following pretests, management-provided mailing lists were used to send study materials to salespeople from 47 business units (spanning consumer and commercial goods, industrial goods, real estate, and health care) of the three participating companies. In addition, management provided a cover letter encouraging response and assuring that only the researcher would have access to their responses. Further steps were taken to increase respondents' confidence in anonymity, both to increase response rates and to reduce possible tendencies to understate behavioral intentions. These included an additional assurance of anonymity on the questionnaire and the return address being the author's institution. A total of 1560 sets of study materials were mailed. After 8 weeks, during which time a reminder letter was sent, 827 completed studies were returned, a response rate of 53% (Table 2).

Where appropriate, reliability was assessed using Cronbach's coefficient alpha. With the exception of status aspiration (coefficient alpha of .68), all of the scales had coefficient alphas over .70. Factor analysis was performed with all 20 items that comprise the commitment (6), status aspiration (4), competitiveness (4), and relationship to supervisor (6) measures. All items loaded well on their respective scales providing evidence of unidimensionality (Hattie, 1985; Gerbing and Anderson, 1988).

## 4. Results

Table 3 lists descriptive statistics and correlations. As can be seen, *status aspiration* and *competitiveness* exhibit a moderately high correlation (.50). Since these constructs are theoretically close, this would be expected. Furthermore, *rank* and *age* were significantly correlated with each other ( $r = .45$ ). However, none of these coefficients point to a significant collinearity problem.

Prior to hypothesis testing, motivation to pursue the targeted goals was assessed. Using a seven-point extent of

Table 3  
Correlation matrix, means and standard deviations<sup>a</sup> (n = 826)

Variables	Coefficient alpha	1	2	3	4	5	6	7
1 Education	n.a.	4.1; 0.88						
2 Age	n.a.	-.12 *	5.1; 1.83					
3 Status aspiration	.68	-.02	-.06	5.6; 0.99				
4 Competitiveness	.73	-.01	-.05	.50 *	5.1; 1.19			
5 Rank	n.a.	-.05	.45 *	.03	.06	3.6; 0.62		
6 Commitment	.79	-.09	-.01	.21 *	.09	-.01	6.1; 0.83	
7 Relationship to supervisor	.94	.01	.00	.05	.01	-.02	.39 *	5.7; 1.42

<sup>a</sup> Means and standard deviations reported in diagonal.

\* P < .01.

agreement scale, the mean for the three-item measure was 6.16 (S.D. = 0.89), suggesting high levels of motivation were obtained.

4.1. The presence of problematic behaviors (Hypotheses 1a and 1b)

It was expected that highly problematic behaviors would not be present when companies have organizational safeguards in place (Hypothesis 1a). However, these safeguards were not expected to eliminate lesser problematic behaviors (Hypothesis 1b). Each of the companies involved in this study has elaborate organizational safeguards (codes, training, refresher sessions). Thus, it would be expected that only lesser problematic behaviors would be present at these firms.

Table 4 shows means and standard deviations for each of the problematic behaviors at each firm. Additionally, the table indicates results of paired samples t tests for each behavior. The paired samples t tests, with the paired variable set at 3, indicate whether the hypotheses should be accepted. This setting (3 on the seven-point scale) was chosen because it necessitated respondents to indicate a tendency away from a behavior (the label for 3 was *slightly disagree I would respond this way*); this was the first point on the seven-point scale that respondents could disagree that they would engage in behaviors.

Table 4  
Likelihood of engaging in problematic behaviors by company

Problematic behavior <sup>a</sup> , means (standard deviation)	Company A	Company B	Company C	Significant differences (P < .05)
1–7 range for all variables				
Extra purchases	5.08 (1.85) *	4.50 (1.94) *	4.57 (1.96) *	A > B, C
Overemphasis	3.16 (1.96) *	2.78 (1.69)	3.25 (1.96)	–
Set aside	4.80 (1.62) *	4.96 (1.52) *	3.99 (1.85) *	A, B > C
Credit risks	2.30 (1.61)	2.95 (2.05)	2.91 (1.97)	B, C > A
Reduce helping	2.73 (1.73)	3.43 (1.90) *	2.63 (1.88)	B > A, C
Exaggerate claims	1.75 (1.38)	2.19 (1.70)	1.77 (1.34)	B > A

<sup>a</sup> Anchors were 1 (*Strongly disagree I would respond this way*) and 7 (*Strongly agree I would respond this way*).

\* P < .01. Tested using paired samples t test with comparison variable set at value of 3, “Slightly disagree I would respond this way.”

As expected, the highly problematic behaviors are not a significant factor at these companies. The only exception is at Company B for the variable, *reduce helping* (P < .01). These findings lend support for the hypothesis that highly problematic behaviors may not be a major concern when organizational safeguards are in place (Hypothesis 1a). The findings also lend support to Hypothesis 1b since the data indicate the lesser problematic behavior, *extra purchases*, could be expected to occur at each of these companies (P < .01). Additionally, of the two moderately problematic behaviors, *set aside* can be expected at each of the companies while *overemphasis* could also be expected at Company A (P < .01).

4.2. Anticipating problematic behaviors (Hypotheses 2a–8b)

For these hypotheses, a series of three regression analyses were run, using the highly problematic, moderately problematic, and lesser problematic behaviors as dependent variables (Table 5). With respect to age, it was expected

Table 5  
Regression results (n = 826): model<sup>a</sup>

	(1) Highly problematic	(2) Moderately problematic <sup>b</sup>	(3) Lesser problematic
Education	.01	.03	.07* *
Age	-.01	.02	-.003
Rank	-.02	.01	.05
Status aspiration	.05	.07 *	.10* *
Competitiveness	.17***	.21***	.16***
Organizational commitment	-.16***	-.08**	.05
Relationship to supervisor	-.08**	-.07 *	-.05
Adjusted R <sup>2</sup>	.07	.07	.05
Model F	8.83***	9.21***	7.17***

<sup>a</sup> *Highly problematic* consisted of the mean of three variables (*credit risks, reduce helping, exaggerate claims*), *moderately problematic* was the mean of two variables (*overemphasis, set aside*), and *lesser problematic* consisted of one variable (*extra purchases*).

<sup>b</sup> The findings from Study 1 (manager’s responses) led to the inclusion of the moderately problematic variable. Though not part of the original hypotheses, having three levels of problematic behaviors allows for observance of trends across behaviors.

\* P < .10.

\*\* P < .05.

\*\*\* P < .01.

Table 6  
Summary of results<sup>a</sup>

	Safeguards	Age	Education	Rank	Commit	Closeness	Status	Compete
Highly problematic	Hypothesis 1a	Hypothesis 2a	Hypothesis 3a	Hypothesis 4a	Hypothesis 5a	Hypothesis 6a	Hypothesis 7a	Hypothesis 8a
	—	—	—	—	—	—	—	+
Moderately problematic	Supported	ns	ns	ns	S	S	ns	S
	mixed	ns	ns	ns	—	—	+	+
Lesser problematic	Hypothesis 1b	Hypothesis 2b	Hypothesis 3b	Hypothesis 4b	Hypothesis 5b	Hypothesis 6b	Hypothesis 7b	Hypothesis 8b
	No effect	—	—	—	No effect	—	+	+
	Supported	ns	S but +	ns	Supported	ns	S	S

<sup>a</sup> Hypotheses and results are indicated for both highly and lesser problematic behaviors while only significant results are indicated for the moderately problematic behaviors.

there would be an inverse relationship between age and the highly and lesser problematic behaviors. However, age is nonsignificant in any of the models. As such, Hypotheses 2a and 2b are not supported, suggesting that age is not a significant predictor of problematic behaviors. With respect to education, an inverse relationship with both highly and lesser problematic behaviors was also expected. For two of the models (highly and moderately problematic), the betas are nonsignificant. Unexpectedly, education shows a significant positive relationship to the lesser problematic behaviors ( $P < .05$ ). As a result, Hypotheses 3a and 3b are not supported. An inverse relationship between rank and the spectrum of problematic behaviors was also expected. However, rank is nonsignificant in each of the models. Thus, Hypotheses 4a and 4b are not supported.

An inverse relationship between affective commitment and highly problematic behaviors and no discernible relationship between commitment and lesser problematic behaviors were expected. As indicated in the models, the relationship between commitment and both the highly and moderately problematic behaviors is significant ( $P < .01$  and  $P < .05$ , respectively), followed by a nonsignificant relationship to the lesser problematic behavior. As such, Hypotheses 5a and 5b are supported. At the same time, an inverse relationship between relationship to supervisor and the spectrum of problematic behaviors was expected. For two of the models (highly and moderately problematic), the betas are negative and significant ( $P < .05$  and  $P < .10$ , respectively), while the sign for the lesser problematic behavior is negative albeit nonsignificant. Thus, the results provide mixed support for Hypotheses 6a and 6b.

With respect to status aspiration, an inverse relationship between status aspiration and highly problematic behaviors and a positive relationship between status aspiration and lesser problematic behaviors were expected. As indicated, the relationship between status aspiration and the highly problematic behaviors is nonsignificant. Meanwhile, for two of the models (moderately and lesser problematic behaviors), the betas are positive and significant ( $P < .10$  and  $P < .05$ , respectively). Thus, Hypothesis 7a is not supported while Hypothesis 7b is supported. Finally, positive relationships between competitiveness and both highly and lesser problematic behaviors were expected. All models support

this expectation ( $P < .01$ ). As such, Hypotheses 8a and 8b are supported.

Bivariate relationships associated with these analyses were consistent with the regression analyses. In particular, whereas the demographic variables (education, age, rank) had nonsignificant correlations with the problematic behaviors (albeit education had a Pearson correlation of .06 to the lesser problematic behavior;  $P < .10$ ), competitiveness was significant at  $P < .01$  with all problematic behaviors (.17 for highly problematic; .24 for moderately; .21 for lesser) and each of the remaining variables performed similarly to the regression results (Table 6).

## 5. Discussion

The results indicate that companies with organizational safeguards in place (corporate reputations, codes, and reinforcement mechanisms encouraging ethical behavior) may find themselves in situations where highly problematic behaviors are reduced or eliminated from their sales forces. However, these safeguards may not have an effect on moderately or lesser problematic behaviors. Interestingly, the finding that the extensive safeguards used by these companies only seems to be effective at reducing highly problematic behaviors may explain why the presence of organizational codes of ethics has found mixed support in eliminating problematic behaviors (Matthews, 1987; Kaplan, 1991; Rich et al., 1990). That is, the effects of safeguards might only be observed by distinguishing between highly and lesser problematic behaviors.

Where prior research and commentaries suggest younger, less educated, and/or lower-rank salespeople will be more prone to engage in problematic behaviors (Trevino, 1986; Trevino and Youngblood, 1990), the expected effects were not present for any of the problematic behaviors. The only significant finding suggests that more educated members of the sales force are more prone to lesser problematic behavior (e.g., *encouraging forward buying*). This is consistent with an alternative hypothesis that more educated salespeople, rather than being less prone to engage in problematic behaviors, may simply be more adept at engaging in only those problematic behaviors where risk of

discovery is low and where few consequences result if discovery occurs.

The findings that affective organizational commitment and relationship to supervisor are each associated with less inclination to engage in highly or even moderately problematic behaviors reminds organizations of the beneficial effects of nurturing commitment in their sales forces as well as fostering healthy trusting relationships between supervisors and salespeople. Clearly, supervisors play a major role in developing their people and in bringing company policy to the sales force. It seems that salespeople with closer relationships to their supervisors do not want to risk compromising this relationship through the use of problematic behaviors. Alternatively, these individuals may be more likely to internalize supervisor-voiced organizational expectations of behavioral appropriateness than will salespeople with more distant relationships to their superiors.

The findings also point to areas of concern for sales managers. Status aspiration was associated with an increased likelihood of moderately and lesser problematic behaviors while competitiveness was associated with the entire spectrum of problematic behaviors. These findings are a particular concern because status aspiration and competitiveness are generally desired qualities in salespeople. It is especially disconcerting to find competitiveness associated with greater tendencies for the highly problematic behaviors—it is usually evident that these behaviors are against company policy and salespeople are almost certainly aware that discovery would lead to adverse consequences.

These findings should help management in the following ways. First, since lesser and, to some extent, moderately problematic behaviors might still occur despite presence of organizational safeguards, there is greater clarity as to how well safeguards reduce or eliminate problematic behaviors. On a positive note, firms that socialize salespeople with safeguards seem to create an environment where highly problematic behaviors are not likely to occur. Second, the findings suggest that some salespeople will be more (or less) likely to use problematic behaviors when pursuing short-term goals. This has direct implications for control mechanisms needed to reduce these tendencies; high *status aspiration* and/or high *competitiveness* salespeople may require more controls while those with high *affective organizational commitment* and close *relationships to supervisor* may require fewer.

This study leads to several implications for theory. First, researchers are reminded that increased effort is just one outcome of AIB models; other intentions—behaviors should be taken into account when explicating motivation processes and outcomes. Second, the term *problematic behaviors* was used rather than the more common term *unethical behaviors*. This recognizes the broad range of behaviors that may adversely affect the firm, with unethical behaviors among those of concern to management. Third, treating problematic behaviors on a continuum reveals that salespeople (and tacitly, their supervisors) may view certain problematic

behaviors as acceptable behavior choices. Suggested above, this awareness further clarifies the extent that organizational safeguards shield a company from problematic behaviors.

As with all research, there are limitations that require noting. First, each of the participating companies has extensive organizational safeguards. We can only speculate as to the likelihood of problematic behaviors when these mechanisms are less present. Second, only self-reports rather than multiple methods of data gathering were used. Despite assurances of anonymity, social desirability effects could make some salespeople hesitant to fully report their problematic behavior tendencies. If so, the true extent of these behaviors may be greater than portrayed here. Third, only intentions were studied rather than actual behaviors. Intent may not manifest itself in behavior. Nonetheless, intent provides important information to managers since it suggests a psychological readiness to engage in behavior. Even so, future research should validate the findings with actual behavior observations. Fourth, while this research included six commonly seen problematic behaviors, it is by no means exhaustive. Additional problematic behaviors including encouraging customers to postpone purchases, falsifying reports, and off-loading products onto distribution need to be included in future studies. Finally, future research needs to consider additional selling domains including retail sales and telesales.

## Acknowledgements

The author thanks the reviewers for their helpful comments throughout the review process and Thekla Rura-Polley for her contributions on an earlier presented version of this work.

## Appendix A. Descriptions of multi-item measures

Measure	Scale Items	Factor scores*
<i>Affective organizational commitment</i> , seven-point scale adapted from Jaworski and Kohli (1993)	Strongly disagree/strongly agree	
	1. I am fond of this organization.	.81
	2. I am happy to make personal sacrifices for this organization if it is important for the organization's well-being.	.66
	3. The bonds between this organization and me are weak. (R)	.63
	4. In general, I am proud to work for this organization.	.82
	5. I often go above and beyond the call of duty to ensure this organization's success.	.58 <sup>a</sup>
	6. I have little commitment to this organization. (R)	.66

(continued on next page)

## Appendix A (continued)

Measure	Scale Items	Factor scores *
<i>Relationship to supervisor, seven-point scale adapted from Tyagi (1985)</i>	Strongly disagree/strongly agree	
	1. My supervisor is eager to recognize and reward my performance when it is good.	.84
	2. My supervisor treats me with respect.	.90
	3. I find my supervisor friendly and easy to approach.	.89
	4. My supervisor is usually attentive to what I say.	.90
	5. I usually trust statements made by my supervisor.	.81
<i>Status aspiration-based need for achievement, seven-point scale adapted from Cassidy and Lynn (1989)</i>	6. My supervisor is usually willing to listen to my problems.	.87
	Strongly disagree/strongly agree	
	1. I want to have a position in the firm where I can have prestige.	.68
	2. I like to be admired for my achievements.	.65
	3. I want to be an important person at this firm.	.71
	4. I find satisfaction when I can influence others in this firm.	.65
<i>Competitiveness-based need for achievement, seven-point scale adapted from Cassidy and Lynn (1989)</i>	Strongly disagree/strongly agree	
	1. I try harder when I am in competition with other people.	.71
	2. To be a real success, I have to do better than other salespeople.	.78
	3. It is important for me to do better than others in the sales force.	.57
	4. I judge my performance on whether I do better than others.	.75 <sup>b</sup>

<sup>a</sup> This item loaded marginally well on status aspiration-based need for achievement (.37).

<sup>b</sup> This item loaded marginally well on status aspiration-based need for achievement (.31).

\* Varimax rotation was used. All but two cross loadings were under .30; exceptions are noted.

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