TOWARD THE DEVELOPMENT OF GUIDELINES REGARDING WHEN FULL-DISCLOSURE IS (IS NOT) REQUIRED IN SELLING

David Strutton
University of Southwestern Louisiana

Lou E. Pelton
The University of North Texas

ABSTRACT

"Ignorance" and "conflict" often block the path to morally correct sales behaviors. Academics and practitioners agree that the introduction of ethical guidelines is the best measure for encouraging ethical sales behaviors. Yet guidelines have been offered which can be conveniently used to overcome the unique circumstances that contribute to the moral dilemmas often encountered in personal selling. Two guidelines are developed that precisely chart ethical paths across a variety of sales settings (addressing "ignorance") while illustrating why the cost associated with acting morally is generally reasonable (addressing "conflict"). The code applies the universal transactional notions of customer expectations and salesperson reputation to illustrate why and when full disclosure is morally required. In doing so, the code tackles head-on the vexing question of how best to juggle mixed motives -- involving self-interests, corporate-concerns, customer-needs and other influences such as the nature of the transaction. The issue of how mixed motives can be morally accommodated is one that ethicists have previously sidestepped.

The deceptively simple matter of truth-telling is a potential problem in sales relationships. No matter what unethical behavior is considered -- misrepresenting product capabilities, actual delivery times or true costs; inappropriate silence in response to legitimate customer inquiries; et al. -- the act usually involves a failure to tell the truth. Any corrupt tendencies salespersons have are partially driven by their role's comparatively isolated, boundary-spanning status, competitive nature and short-run oriented performance/reward measures which create opportunities and temptations. Still, few would argue salespeople should be absolved of ethical responsibilities because of their special role. Marketers typically agree that decisions should be made in accordance with accepted principles of right and wrong (Ferrell and Gresham 1985). Yet, the principles governing right or wrong in the sales arena are decidedly murky.

Salespeople have an obligation to represent their firm's best interests and, since the fortunes of firms and salespeople rise or fall together, an obligation to protect their self-interests. However, salespeople are not morally obligated to reveal all they know. To further complicate matters, salespeople also must serve the needs of prospects and customers to obtain or maintain long-term business. So, salespeople have a moral obligation to company, prospect/customer, and self. They continually encounter dilemmas regarding how much information to disclose. An organization's code of ethics indicates its norms of ethical behavior. If management wants salespeople to behave ethically, they must establish and enforce sales-specific ethical codes. In fact, salespeople often request such guidelines (DeConnick 1992). But no ethical guidelines exist that specifically address the range of special facilitating circumstances (temptation, opportunity and pressure) contributing to the ethical dilemmas encountered in personal selling.

Corporate codes are necessary but, by themselves, are insufficient, to prevent ethical violations in marketing (Chonko and Hunt 1985). However, it is more desirable to have one in place than to not. Consequently, the purpose of this paper is to develop and illustrate the application of an ethical code that precisely charts ethical "paths" for a variety of sales settings while illustrating why the cost associated with ethical behavior is reasonable. The later phrase that addresses the "reasonableness of the cost associated with ethical sales behavior" is not necessarily the gimme that many probably assume it to be.

PROBLEMS ASSOCIATED WITH TRUTH-TELLING IN THE SALES ROLE

The standards for honesty in American business appear clear. Norms exist within our cultural tradition prescribing "one should always tell the truth" and "honesty as the best policy." Over 95% of unethical business behaviors involve violations of such overtly accepted standards (Velasquez 1992). A fundamental problem associated with sales ethics, then, is how to motivate salespeople to do what they already know is right, e.g., avoid violating accepted principles of honesty (a "violations" problem). A related problem, which frequently occurs, involves salesperson uncertainty regarding whether absolute truth standards apply in a given situation (an "uncertainty" problem). This later problem arises when salespeople do not know whether, or to what degree, full-disclosure is morally required (Bok 1978). Should delivery be promised on undoable dates if similar misrepresentations are common in an industry? The issue of how much disclosure is appropriate is difficult to resolve. If they choose to actively evaluate the circumstances, salespersons are often torn between absolute moral standards requiring truth-telling and the need for effective selling behavior.

Are Salespeople Morally Required to be Truthful?

Truth-telling is tacitly recognized as a necessary prerequisite for ongoing and successful exchange. However, this is not the only value operative in sales exchanges. Salespeople are also concerned with creating profit, growth, power, security, and wealth, as well as competing for scarce resources, attending to others' needs and loyalty to company, colleagues and oneself. Pursuing any one of these values sometimes necessitates actions that conflict with the truth.

At first blush, the tasks of those occupying selling and buying roles would appear easier if marketers accepted one absolute moral principle: "Always tell the truth." Truth-telling issues would then be limited to "violation of standards" problems. Applying such an absolute standard in the real world of business would, of course, prove troublesome. Salespeople often encounter exchange circumstances in which it is neither functionally appropriate nor necessary to disclose the whole truth. Even so, it must be especially frustrating to the perennially moral salesperson to know no guarantee exists that a competitor's lie will be uncovered. To encourage the moral salesperson's ethical behavior and to raise the standards of the profession, it may argued it is best to hold salespeople to absolute standards of truth-telling. But in the harsh light of real world markets, maintaining standards prescribing that salespeople must always tell the truth may actually have the opposite of its intended effect -- such standards may foster a low regard for the truth. When confronting absolute principles, salespeople may reject them as unreasonable and inapplicable in demanding sales environments.

Another objection to an "always tell the truth" standard is that it would lead to the preeminence of the truth over all other values. Circumstances may exist in which other values are more important. Real-estate salespeople who prematurely reveal their interest in a property would sacrifice the values of loyalty and fairness to company, coworkers, self and family to the value of complete honesty.

If an absolute standard of truth is rejected, one must consider the consequences associated with the opposing standard, that is, salespeople "are not morally required to tell the truth." Through comparing business to poker, Carr (1968) concluded business transactions require truth-telling only to the degree that meets the law and avoids unfavorable public opinion. The competitive nature of selling in most industries and the fact that parties to sales exchanges understand the norms governing appropriate behaviors imply bluffing (failing to fully disclose) is permissible when it is to one's advantage, so long as both parties actually do understand the "rules." However, an argument that salespeople have no moral accountability to the truth, emphasizing the competitive nature of sales, ignores the fundamentally cooperative nature of most marketing channels. Mutual trust is necessary for transactions to unfold efficiently, given the interactive and reciprocal nature of exchange. Just-in-time inventory systems or taking investment orders by phone would be impossible without the trust fomented by truth-telling. If customers found it necessary to initiate new deliberation for each purchase because of low trust, exchange would require untenable amounts of time.

Therefore, some pliant baseline designating truth-telling behavior as a moral requisite for salespersons appears necessary. However, it is doubtful whether an absolute moral obligation exists for salespeople to be truthful in all situations. An ethical code is needed which allows salespeople to determine whether they have a moral obligation to fully-disclose in particular situations.

GUIDELINES FOR WHEN TO FULLY DISCLOSE IN THE PERSONAL SELLING ROLE

Truthfulness requires what is believed to be accurate information. Salespeople also act truthfully when they provide partial or no information if they have no intention to mislead. Untruthfulness involves the delivery of false, partial or no information, with the intention to mislead. It is no less dishonest to mislead by a failure to disclose than by an outright falsehood if harmful intent is also present (Ekman 1985).

Proceeding from this simple premise, two guidelines that can be used by salespeople to understand why and when ethical behavior requires full disclosure are:

1. Salespeople should fully disclose when the truth is expected by the recipient (an Expectation Guideline).

2. Salespeople should fully disclose when telling the truth is consistent with their or their firm's reputation for truth-telling (a Reputation Guideline).

These guidelines apply to what is stated in sales encounters, and to how much information is not given. The ethics of failing to fully disclose the truth can each be determined on a situation-specific basis through the guidelines. Applying the code will show that all instances of lying and most instances of failing to fully disclose the truth are unethical in sales transactions. The code allows salespeople to understand why such behaviors are usually unethical while also showing how they are permissible in limited circumstances.
Each guideline is user-friendly in that they build on two basic features of sales encounters: customer expectations and the salespersons/selling firm's reputation. While the guidelines do not ensure solutions to all ethical dilemmas salespeople might encounter, they are productive. They offer a starting point from which salespeople may pose insightful questions. Each provides justifications for the ethical outcomes salespeople hopefully will pursue. The code is consistent with ethical theory. The first guideline is derived from the deontological approach to moral judgements, while the second is based on consequentialism. Each guideline provides salespeople the means to apply ethical philosophy without formal training in the theories themselves.

THE EXPECTATIONS GUIDELINE

This standard is based on the first two formulations of the categorical imperative (Kant 1963). The first formulation suggests that universalizing the rule under which one acts should not make that action impossible. Under this formulation, failing to tell the truth when it is expected is not a universalizable rule. For salespeople to lie, someone has to believe them in the first place. Therefore, if salespeople fail to fulfill truth expectations, the expectation for truth is destroyed and, along with it, the possibility of not fulfilling the expectation. Therefore, a failure to fulfill truth-expectations is not a morally acceptable course of action for salespeople. Recognizing customers' expectations embraces the respect for the value of others expressed in the second formulation of the categorical imperative: "Always treat others as ends and never simply as means" (Kant 1963, p.224). Fully disclosing when it is expected forces salespeople to recognize customers as value givers who have equivalent rights to assign value to any object of exchange. On that basis, customers are generally owed the right to the information necessary to accurately evaluate the value of an exchange object.
The Expectations Guideline implies that when customers expect full disclosure in a sales situation, salespersons are morally obligated provide it. But the nature of customer expectations is not so cut and dry as one might initially assume. Customer expectations can be evaluated at three levels. To apply the Expectations Guideline, salespeople need to determine whether their customer has a right to expect full disclosure (Level 1), whether a reasonable person would expect full disclosure (Level 2), or whether this particular customer actually expects full disclosure (Level 3) in this sales encounter. If the answer is yes at any level, the salesperson has an ethical obligation to the truth. If customers have no basis at any level to expect full disclosure, salespeople's ethical deliberation should proceed to the Reputation Guideline.

Applying Level One Questioning to "Violations Problems"

The Level 1 ethical decision rule addresses whether the customer has a legitimate expectation of truth based on legal, contractual or fundamental human rights. The clearest (albeit weakest) moral claims to full-disclosure are based on legal rights. Information disclosure is essential to a functional economy, a fact illustrated in that certain sales acts are prohibited by law. A working knowledge of the legal requirements for the sales profession in general and for a given firm's industry conditions provides an appropriate starting point for avoiding unethical behavior.
Contractual rights originate in the implied contractual condition that each party agrees to give-up something of value in return for something of value. Each must have available for evaluation the truth about the object of exchange and the conditions under which the exchange is to occur. Therefore, customers entering in contracts generally have a right to the truth at a elemental level. Individuals contracting with real estate agents to represent them in property sales have contractual rights to expect full and truthful disclosure to all facts

relating to subsequent transactions. Despite the Uniform Commercial Code and several federal regulations related to sales, the "laws of selling" vary from state to state and sales territory to territory. The law clearly impacts the nature of ethical salesperson behavior, but the nature of the sales role, particularly when compensation is primarily commission, will challenge the salesperson's willingness to adhere to the law. Further, applying the law does not always result in ethically sufficient outcomes since the law is only the lowest common denominator of ethical behavior. Consequently, other rights often need to be considered to arrive at the ethical path.

The fundamental human or moral right to the truth lies in the fact that honesty is essential to showing others the respect they deserve. Customers generally expect facts to be accurately imparted to them as a basis for making informed and rational decisions. Salespeople inappropriately treat customers as "means" to "flawed" ends when they fail to provide expected truths. An individual purchasing a potentially hazardous product has a right to full disclosure of potential hazards based on their human right to self-determination (Armentaro 1991).

APPLYING LEVEL TWO QUESTIONING TO "VIOLATIONS PROBLEMS"

This decision rule seeks to establish a reasonable person standard similar to that in the law. To apply the guideline, salespeople should literally attempt to ascertain whether a reasonable person would expect the truth in this situation. If, for example, a sales transaction occurs within a relational channel setting in which each member is collaborating for the benefit of both, customers can reasonably expect a high level of truth (Kauffman and Stern 1988). Two factors influence the nature of "reasonable truth expectations" in cooperative transactional settings. First, the relative importance of full-disclosure to the customer should be evaluated. Customers receiving health care information can reasonably expect the truth, in light of the consequences of misinformation. If, however, a sales message is describing the intangible virtues of an automobile reasonable people should expect a less strict adherence to the truth. In addition, the opportunity to independently evaluate and verify such claims also influences "reasonable truth expectations."

Determining whether it is reasonable for customers to expect full-disclosure requires evaluation of three other issues. First, it is generally reasonable for people to expect truthfulness in sales transactions because truthfulness is essential to the successful conduct of business. Salespeople must cooperate openly with fellow workers, suppliers, financial institutions, etc., to achieve or maintain the ability to vigorously compete. Still, honesty in business is a relative concept, varying on the basis of transactional setting. Different industries (life insurance v. banking), geographic regions (Chicago, Ill. v. Carbondale, Ill.), or cultures (Middle Eastern v. European) typically display divergent perceptions of the "absolute" honesty necessary for conducting business. Yet, some minimum baseline of an expectation for disclosure remains essential for marketing exchanges to be consummated regardless of industry or geography. On this basis alone, customer's expectations for truth are usually reasonable.

Second, a realization that the conduct of business does not always have to involve a zero sum game can be exercised to determine the expectation level of truth-telling that is reasonable. Business is sometimes conducted under zero-sum conditions where, if firm A gets the contract, firm B does not (Carr 1968). However, sales transactions more often unfold as additive sum games within cooperative rather than competitive settings. There, the gain of one party benefits other parties. When salesperson A obtains a contract, all stakeholders of A's firm benefit, along with the entity for whom the contract is performed. Since all gain, each can reasonably expect full disclosure from the other to facilitate the exchange. Different standards of reasonableness prevail for transactions that unfold in competitive realms. The generally accepted norms governing negotiations over scarce resources or the behaviors appropriate for responding to competitor inquiries allow for bluffing (failing to fully disclose). It may actually be unreasonable for others to expect full disclosure in competitive environments.

Third, salespersons can consider whether it would be to their advantage to let others tell the truth while they failed to disclose it to determine whether the expectations are reasonable. If business people are committed to ethical behavior, the truth expectations of others require truth-telling. Taking the ethical point of view requires one to follow universal ethical rules and to not make exceptions for oneself (Goodpastor and Matthews 1982). This implies that if one salesperson felt it was morally acceptable to lie, then all salespeople should be permitted to lie. However, if everyone lied, lying would become impossible because no customer would expect the truth (and none would be deceived by misrepresentations) (Kant 1964). The "make no exceptions" rule requires full disclose whenever full disclosure is expected.

Applying Level Three Questioning to "Violations Problems"

Weighing the actual expectations held by customers requires salespeople to consider the special standard of care necessary when vulnerable individuals are involved in the transaction, e.g., those who, due to a lack of sophistication, experience or cognitive ability actually expect full disclosure. Due to their diminished cognitive abilities, extremely aged individuals may de facto merit higher standards of truth. Practical considerations make this expectation standard difficult to apply in sales. Selling lends neither the time nor a context appropriate to overtly inquiring whether one's counterpart actually expects full disclosure. Such a question would raise suspicions of one's motives and business acumen. However, if indications of the customer's actual expectations can be observed, they deserve reflection.

The requirement for truth-telling derives force from justice considerations arising from how actual expectations of truth are often created in marketing transactions. Salespeople often attempt to establish trust which, in turn, facilitates exchange (Schurr and Ozzane 1985). In situations where individuals create full disclosure expectations hoping to benefit from the exchange made possible by the expectations, full disclosure is a moral prerequisite. Simple justice requires no less even when the action fails to serve the salesperson's best interests.

Applying the Expectation Guideline to "Uncertainty Problems"

Salespeople are hired to be advocates for their company and its products. Salespeople have parallel moral obligations to their customers, employers and selves, as well as to the "transaction." The morality of a salesperson's decision revolves around the degree to which the moral duties owed to these various parties are mutually and simultaneously satisfied by the level of disclosure. It is not surprising that salespeople sometimes encounter situations where they are uncertain whether, and to what degree, disclosure is required (uncertainty problems).

The Expectation Guideline can be applied to explain why, in special circumstances, not fully disclosing is acceptable. For truth-telling obligations to be violated, salespeople must fail to disclose information with the intent to deceive or give false information with the intent to deceive while the customer has an expectation of receiving truth. If either or both conditions characterize a transaction there is wrongful deception. But if both parties tacitly recognize that the customer does not expect full-disclosure, a failure to provide it is not deceptive and the honesty of the salesperson is not violated. When responding to a competitor's inquiry concerning market conditions, salespeople are generally not expected to reveal whole truths or even to disclose any information at all. Buyers and sellers engaged in negotiations typically do not expect whole truths from one another regarding their genuine final price. Bluffing is sanctioned by the mutually agreed-upon "rules" that administer such settings. When the truth is not expected on any level, there is (1) no right to expect full disclosure and (2) no reasonable person should expect it. In such instances, truth-telling is not required. Therefore, it is necessary for salespeople to establish whether the norms of competition prescribe that full-disclosure is not expected to determine whether not fully disclosing remains consistent with ethical behavior. Salespeople should be trained to not feel guilty about selling products that serve customers well and meet their stated standards, even when a better product is available from a competitor (e.g., salespeople selling Volkswagens may wish they were selling Mercedes). Salespeople are not involved in transactions to ensure that customers make absolute ideal purchase decisions; salespeople are there to ensure that the needs of customers are adequately met, hopefully with the product the salesperson advocates. When salespeople and their customers operate on a level field and there is no expectation of truth, a failure to fully disclose is permissible. Salespeople should then invoke the reputation standard to further evaluate the matter of ethicality.

THE REPUTATION GUIDELINE

Throughout a salesperson's career, each act of truth-telling (lying) contributes to a reputation for honesty (deceit). Salespeople understand the importance of their reputation. In some small way, in fact, the overall image or reputation attributed to the entire fraternity of salespeople is affected by the ethical/unethical actions of each group member regardless of their specific position. Salespeople and sales organizations engage in tacit and overt public relations efforts aimed at sustaining or cultivating reputations, advertise based on them, and even capitalize them as part of "good will" (Belch and Belch 1993). This is undoubtedly an appropriate course of action, since the customers of firms who do not enjoy a reputation for integrity likely experience a heightened sense of perceived risk and biased price expectations in their transactions with the firm.

In deciding whether to fully disclose even when one's fully competent counterpart has no expectation of it, salespeople should consider whether their ultimate action will be consistent with their reputation for honesty. This requires a two-stage decision process: first, at an application level, which applies the guideline to the particular case at hand and, then, at a policy level, where the type of reputation one desires is evaluated. For each truth-telling dilemma, the salesperson's first question should be: "How will this instance of truth-telling (lying) calibrate with my current reputation?" The question is straightforward, involving no complicated calculations of the probability that one's failure to disclose will be discovered, or of how adverse the consequences would be upon discovery. This is a useful property since the time constraints and imperfect information associated with selling make precise calculations unlikely. Instead, salespeople can ask what level of disclosure is consistent with their desired reputation -- and determine their reputational policy.

The policy level issue should be reviewed periodically in developing an overarching truth philosophy. For example, does the salesperson desire a reputation as one who tells the truth about product quality? Probably. But does the salesperson desire a reputation as one who discloses completely in price negotiations? Perhaps not. The answer depends on how the individual's long-term ethical goals are defined, mindful of the fact that employer, customer, self and transactional needs should each be served.

The Reputation Guideline underscores the fact that salespersons consciously or unconsciously choose the ethical level at which they operate (Goodpastor and Matthews 1982). However, as an overt decision rule, the Reputation Guideline permits salespeople to consciously control ethical behavior. Since the ethical standards operating within an industry are generally known, salespeople (and firms) can accept them or attempt to exceed them. Firms might attempt to enhance their reputations to increase employee self-esteem (e.g., augment the perceived "professional" status of life insurance or auto salespeople) or make themselves more efficient channel partners and, thus, more competitive. Career salespersons who enhance their reputations will, over the long run, gain sustainable competitive advantages.

Since the consequences associated with a salesperson's reputation for honesty depend upon how well the truth expectations of customers are accommodated, it might appear logical to subsume the Reputation Guideline within the framework of the Expectation Guideline. However, the guidelines focus attention on different aspects of the ethical decision making process. The Expectation Guideline addresses salespeople's obligation to their transactional partners. The Reputation Guideline focuses on the character and goals of salespeople themselves: in effect, their obligations to themselves. Because distinct decision criteria, evaluative processes and outcomes are associated with both guidelines, the set is heuristically superior to either taken alone.

Applying the Reputation Guideline to "Violations Problems"

The Reputation Guideline is a utilitarian standard since the consequences of full disclosure for the reputation that salespeople desire is at least implicitly calculated. The guideline emphasizes to salespeople that consequences do matter in business and ethical conduct. Although an abstract concept, reputations are immediate and concrete commodities to individuals and directly effect their ability to conduct business (Heide and Miner 1992). Further, evaluating the type of reputation for truth-telling desired is more suited to the bounded rationality of most people than is considering the myriad factors reflected in "greatest good for the greatest number" calculations generally prescribed within a full-blown utilitarian approach to moral behavior (Hunt 1992). Any calculations that are needed are more workable than those required by full-blown utilitarianism since the consequences are associated with only one entity (the salesperson), rather than for all potentially affected by the truth value of a communique. Rather than seeking the truth-telling level that maximizes some ethereal "greatest good" ratio calculated for society as a whole, salespeople can determine the reputation for honesty they wish to possess.

A reputation standard guiding ethical decision making throughout the organization would likely be useful. "Ethical" organizations enjoy access to business that organizations with a reputation for a lack of honesty will not have. While others may conduct business with firms that have an unpredictable reputation for truth-telling, they likely do so only after protective measures have been initiated. These measures impose a levy on marginally dishonest firms. Reputations also affect organizational climates. Employees who believe their company is truthful work harder, are more honest in their intraorganizational relationships and less likely to seek employment elsewhere (Goldfarb 1992). Since the firm's reputation affects virtually all results that will be obtained (over a reasonable time span), the Reputation Guideline reinforces the importance of maintaining a position of integrity and openness.

Applying the Reputation Guideline to "Uncertainty Problems"
The Reputation Guideline also permits salespeople to account for the fact that ethical behavior does not always require truth-telling (full disclosure). In competitive sales encounters, a reputation for being a hard-nosed negotiator who discloses no more than necessary to reach an agreement is a valuable and portable asset. When the norms governing a particular sales activity require decision making under conditions of risk or without complete information, a failure to disclose information can be consistent with a reputation for honesty. In fact, a reputation for answering questions with a full disclosure of the truth may be a liability in markets of scarcity. The guideline accounts for the fact that salespeople should sometimes seek reputations as hard-nosed players who understand realpolitik and compete vigorously within the bounds of mutually accepted exchange governance norms.

DISCUSSION

Bullet-proof ethical codes will never exist. However, an enhanced commitment to disclosure by salespersons should decrease the likelihood of prospect alienation and/or liability litigation (Boedecker, Morgan and Stoltman 1991), and increase the likelihood of profitable long-term relationships with customers. If a conveniently applied set of ethical decision rules is available, the result may be a sales force more likely to act in ways that are compatible with the divergent needs of customers, organizations and self. No ethical code can be used to prove to salespeople that they should be ethical. A fundamental feature of ethical behavior in cultures that value individualism is that ethical principles ultimately must be self-imposed if they are to have desirable effects (Paton 1986). There is an obscure and unattributed colloquialism suggesting that, in the history of the world, few souls have ever been saved after the 20th minute of a sermon. This expression is germane to this discussion in that it implies if ethical guidelines can be easily understood and conveniently (e.g., quickly) applied, the likelihood of their subsequent use is increased.
Ignorance and conflict often block the path to ethical sales behavior. Ignorance can be eliminated by identifying "...the ethically proper path to follow?" (O'Boyle and Dawson 1992, p.921). The Expectation Guideline clearly offers ethical guidance to salespeople. Conflict can be overcome by ascertaining whether the ".. price (one is) willing to pay to follow that path" is reasonable (O'Boyle and Dawson 1992, p.921). The Reputation Guideline clearly illustrates that this price is usually reasonable.
If sales personnel are not provided some form of ethical guidance in their decision making, sales organizations should anticipate harmful variations in ethical decision making. Firms that leave moral decision making to chance, hoping for uniformity in the ethical philosophies of their employees, set themselves up for failure by decentralizing ethical decision making on a random basis (Ferrell and Gresham 1985). But in practice, ethical codes imposed paternalistically or hierarchically are less likely to be successful than standards generated through the participation of salespeople. Managers are often no better qualified to make ethical judgements then individual salespeople and, indeed, their senior positions may make them more likely to make self-interested and prudential judgements. Perhaps the major obstacle to the application of philosophy and formation of ethical codes for sales organizations lies in developing ethical formulas for working out the codes that are accessible to individual decision makers (Stark 1993). The nature of the ethical code presented here should permit the ethical decision itself to be successfully delegated to the individual salesperson. The salesperson can readily acquire the information necessary to apply the Expectations Guideline through experience and learned observation of the customer. Salespeople can acquire the information necessary to implement the Reputation Guideline if their sales organization overtly conveys information pertaining to its "expected reputation" to them.
There is a good deal of flexibility in this ethical code. It purposefully avoids recommending specific rules in the form of standards that are assumed to be applicable for all salespeople. Such flexibility is necessary and desirable because each ethical case salespeople face is relatively distinct -- and all circumstances must be considered together before salespeople can determine the morally correct action. However, each guideline is linked by its capacity for focusing salespeople on the need to satisfy the universal desire of prospects/customers to be treated with respect and fairness. Simple logic dictates that when people are so treated they will react well. The uncomplicated notions of customer expectations and personal/organizational reputations provide a means by which the ethical guidelines can be easily recalled. It has relevance to

everyday business decisions, where right and wrong are by no means clear-cut (The Economist 1993). The approach offered in this code should produce more than just ethical survival for the sales organization. It should produce more moral sales behaviors.

The guidelines offered in this paper is framed by a sense of moderate pragmatism far removed from the moral absolutism often propagated by business ethicists. However, ethical codes probably should be dynamic and loosely bounded. Given the continually changing legal environment of sales (Boedecker, Morgan and Stoltman 1991), constant product innovation and shifting public/private ethos concerning the practice of marketing and sales, the process of adapting and enculturating "core ethical values" must be ongoing. The variable nature of sales environments likely make the content of its ethical dilemmas more challenging than those facing other management areas. There is a need for guidelines that can accommodate the need for flexibility across time.

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