Ethical Climate and Psychological Contract Violation: Precursors of Salesperson Frontline Deviance

By G. Alexander Hamwi, Nathaniel N. Hartmann, and Ramon Avila

This study examines the phenomenon of employee deviance. Using Affective States Theory, a process model was developed that examined the effects of the ethical climate of a firm and incidents of psychological contract violation on the frontline deviance of employees. Frontline deviance is directed at current, former or potential future customers of a firm. The results of a hierarchical regression show that firms with a positive ethical climate have lower incidents of psychological contract violation and frontline deviance by salespeople. In addition, incidents of psychological contract violation had a direct, positive effect on episodes of frontline deviance and also mediated the relationship between the ethical climate of a firm and episodes of frontline deviance by salespeople. Results show that employees feel that firms have an obligation to provide an ethical working environment, and failure to meet this expectation can be perceived as a violation of the psychological contract between a salesperson and their firm. Limitations and avenues of future research are also discussed.

INTRODUCTION

Deviance

Employee deviance has long been a topic of interest to researchers, but only more recently has it come under investigation in the academic community (Jelinek and Ahearne 2006; Jelinek and Ahearne 2010). Employee deviance is defined as, "voluntary behavior that violates significant organizational norms and in doing so threatens the well-being of on organization, its members, or both," (Robinson and Bennett 1995, pg. 556). Prior estimates place the average cost of workplace deviance to be between $6 and $200 million (Bennett and Robinson 2000). Although employee deviance violates organizational norms and threatens the well-being of an organization, it does not necessarily take place at the organizational level. Deviance starts and is incubated at the sub-organizational level, and while the behavior may be contained there, its deleterious effects can be far

G. Alexander Hamwi (Ph.D., Georgia State University), Assistant Professor of Marketing, Missouri State University, Springfield, MO, alexhamwi@missouristate.edu.

Nathaniel N. Hartmann (Ph.D., Purdue University), Assistant Professor of Marketing, Shidler College of Business, University of Hawaii at Manoa, Honolulu, HI, HartmannNathan@gmail.com.

Ramon Avila (Ph.D., Virginia Polytechnic Institute and State University), George and Frances Ball Distinguished Professor of Marketing, Ball State University, Muncie, IN, ravilla@bsu.edu.

more wide reaching. This is because employee deviance harms, intentionally or unintentionally, the organization and its stakeholders. For example, a salesperson using deceptive sales tactics may unintentionally harm the reputation and future sales of her organization when the customer realizes the product cannot deliver the claimed benefits. Thus, although the deviant act is performed within a functional area, the consequence (e.g. hurt reputation and lost sales) of this deviant act occur at the organization level.

Early research of employee deviance identified two categories of deviance: interpersonal and organizational (Robinson and Bennett 1995, Bennett and Robinson 2000). Whereas interpersonal deviance is directed at specific individuals within the work environment, organizational deviance is directed at the organization itself. Given the boundary spanning role of salespersons, which places them in constant contact with customers, researchers within the sales domain have expanded the number of categories to include frontline deviance (Jelinek and Ahearne 2006; Jelinek and Ahearne 2010). Frontline deviance is directed at former, current, and potential customers of the organization. This study focuses on frontline deviance.

Frontline Deviance

Frontline deviance is employee deviant behavior targeted at former, current or potential customers of the organization (Jelinek and Ahearne 2006). Although the deviant behavior is targeted at actors

outside the organization, the organization itself can still be harmed. Frontline deviant behaviors include badmouthing the organization, revealing sensitive information to customers, unethical sales practices, and/or circumventing the rules and procedures for doing business with customers.

Psychological Contract Violation

A psychological contract is an expectation, or set of expectations, about the reciprocal obligations that exist within an employer-employee relationship. The employee has an expectation of entitlements and obligations related to the organization's contributions (Levinson et al. 1962). Psychological contracts are based on perceived promises (Rousseau 1989) communicated through many different means (written, oral, company policy, organizational climate, etc.). Based on this it can be said that psychological contracts are very broad, covering not only perceptions of formal promises, but perceptions of informal and/or casual promises as well. Psychological contracts can be both transactional: specific, short-term and frequently monetized; or relational: broad, open-ended, long term and could contain both monetized and socioeconomic elements.

When imbalances in expectations and actual outcomes favor the organization, the employee may perceive that their organization has failed to fulfill one or more terms of the psychological contract (Morrison and Robinson 1997). As a result of these perceptions, the employee may develop affective feelings of betrayal, anger, resentment, or injustice directed at the organization (Morrison and Robinson 1997).

Ethical Climate

A work climate is defined by Schneider (1975, pg. 474) as "perceptions that are psychologically meaningful descriptions that people can agree characterize a system's practices and procedures." The norms that govern ethical issues can be referred to as the ethical work climate. The ethical climate of a firm governs the decisions that actors within an organization make (Victor and Cullen 1988). When faced with a decision, an employee must consider what the right decision is as far as the organization is concerned. If the employee needs guidance, one source available for them to utilize

is the formal or informal code that makes up the ethical climate of a firm. In this way, ethical climates can be considered broad and all-encompassing characteristics of a group that affects the way a wide variety of decisions are made (Victor and Cullen 1988).

Employees hold the perception that certain forms of reasoning concerning ethical situations, as well as the associated behaviors considered acceptable, are standardized within the firm (Cullen et al. 2003). These organizational values govern actions of employees, so an organization's ethical climate is also reflected in the outcomes associated with various work tasks at that particular organization. Essentially, it is a perception of what is considered "right" behavior. In addition, ethical climates can determine which decisions are considered ethical ones and the characteristics of their resolution. An ethical climate can be generalized to an entire organization, encompass only a division or just govern a smaller business unit such as the sales force.

Ethical Climate and Salesperson Frontline Deviance

Much of the research on deviance in the workplace has examined the individual differences that predispose deviant behavior in the workplace (Henle et al. 2005). However, traits of the organization, or traits of the actors in it, have received far less attention as potential influencers of deviant workplace behavior. Kohlberg (1983), in his work on stages of moral development, found that individuals seek reason and guidelines for guiding and/or justifying their behavior and decision making. Hogan (1973) believes these reasons and guidelines can be internal, things such as personal consequences, personal ethics or the behavior of referent individuals; or they can be external, moral standards of a referent group, ethical climate of a formal or informal reference group or norms of society. Whatever the source may be, individuals use this source (or multiple sources) as cues for behavior.

When a salesperson operates in a climate with lax ethical standards (i.e. management's slack attitude toward discipline), s/he may perceive that certain forms of unethical behavior are tolerated, or in extreme cases, even encouraged (Cullen et al. 1989). When an employee feels the need to behave in a manner that is deviant to the organization as a whole (occupational deviance),

or individuals within the organization (interpersonal deviance), and/or customers of the organization (frontline deviance), the presence of a lax ethical climate can indicate to the salesperson that this type of behavior is more acceptable or more suited as a means for dealing with problems within this organization as opposed to an organization with a stricter ethical climate (Barnett and Schubert 2002). Wimbush and Shepard (1994) found that in an organization that fosters a lax ethical climate, one in which behaviors such as cheating, lying and/or stealing are tolerated; employees are significantly less committed to the organization. This lack of commitment to the firm, its goals and desired outcomes leads to a greater likelihood that an employee will do something deviant to the organization, an actor within the organization and/or a customer of the organization.

In an organization with a stricter ethical climate, even though some incongruence between expectations and outcomes may cause a salesperson to feel as if deviant behavior is justified, the presence of this climate may prevent the employee from acting on his/her justifications due to the perception that this kind of behavior is not tolerated and the personal rewards that come with deviant behavior may be far outweighed by both the personal and professional risks. A stricter ethical climate leads to a more cohesive work environment (Lemmergaard 2003). A more cohesive work environment in turn leads to an employee being more committed to the organization and the actors in it, and therefore less likely to participate in deviant behavior (Hackman 1992).

In examining research specific to the sales function which has the unique third dimension of frontline deviance, it has been shown that when a salesperson perceives a climate as ethical, their commitment to quality service and customer orientation increases (Weeks et al. 2004, Schwepker and Good 2005). In addition, Schwepker et al. (1997) found that salespeople operating in organizations with ethical climates had significantly lower incidents of conflict with other actors in the organization.

> *H1: An organization with a positive ethical climate will have fewer instances of frontline deviance.*

Psychological Contract Violation and Deviance

Deviance is a provoked, intentional act (Robinson and Bennett 1997). One phenomenon that could provoke deviance is violation of a psychological contract. When an employee experiences disparity between expectations and outcomes concerning how and/or how much his/her firm should provide in terms of compensation, support, training, etc., s/he may feel as if the psychological contract between him/her and the organization has been broken. When this happens, the employee seeks to restore the parity in the employer/employee relationship through some means (Bordia et al. 2008), one of which could be deviance.

Restubog et al. (2006), in their study of information technology specialists, found that when an employee perceived their psychological contract to have been violated, s/he experienced a significant decrease in the amount of organizational citizenship behaviors that s/he displayed. Organizational citizenship behaviors are defined as behaviors that help both the organization and the actors within it. A separate independent study by Kickul et al. (2001) found that when an employee perceived that his/her psychological contract with his/her employer had been broken/breached, the employee displayed a significant increase in anti-citizenship behaviors. An increase in organizational citizenship behaviors should naturally lead to a corresponding decrease in deviant workplace behaviors (Jelinek and Ahearne 2006). Concerning the other end of the continuum, deviant workplace behaviors are either identical or very similar to many of the activities considered anti-citizenship behaviors, and some (Bell et al. 1994; Skarlicki and Fogler 1997) would consider deviant workplace behaviors to fall under the umbrella of anti-citizenship behaviors.

Psychological contract violation can affect salespeople specifically in their interaction with customers (frontline deviance) because the lines between business and personal can become intertwined in the relationship between salesperson and customer (Jacobs et al. 2001; Cooley 2002; Jelinek and Ahearne 2006). One of the principles of long-term relational success in sales is to establish a rapport with your customer, e.g. a common bond based on something not related to business.

H2: Increased instances of psychological contract violation will lead to increased instances of frontline deviance.

Ethical Climate and Psychological Contract Violation

One way in which a sales force might cut down on deviant workplace behaviors is by lowering the number of incidents of perceived psychological contract violations. When an organization's actions toward an employee (or the actions of an actor representing the organization) are perceived by the employee to be in line with the ethical climate of the organization, it is less likely that the employee will perceive the psychological contract between him/herself and the employer to be broken (O' Donohue and Nelson 2009).

One factor that influences whether or not an employee perceives a breach in a psychological contract is the source from which an employee derived his/her expectations. One area in which an employee can glean information that helps form his/her expectations is the ethical climate of an organization (Turnley and Feldman 1999). If sales forces, or organizations as a whole, have strong ethical climates and make decisions that do not violate that ethical climate, one should see a reduction in the number of incidents of psychological contract violation. Blake and Carroll (1989) found that when an employee perceived conflict between work expectation and work outcomes, their decision-making process was negatively affected. In addition, Barnett and Schubert (2002) looked at how various types of ethical climates affected perceptions of psychological contract violation. Ethical climates thought to be negative (more simply referred to as unethical climates), such as an egotistic ethical climate, were shown to lead to higher instances of perceived psychological contract violation. Ethical climates thought to be more positive, i.e. benevolent and/or principled, were shown to lead to less instances of psychological contract violation.

H3: An organization with a positive ethical climate will have less instances of perceived psychological contract violation than an organization with a negative ethical climate.

Psychological Contract Violation as a Mediator

In addition to having a direct effect on frontline deviance, ethical climate also likely has an indirect, mediated effect on frontline deviance through its influence on perceptions of psychological contract violations. Psychological contract violation has been used in the past as a mediating variable in the relationship between deviant workplace behaviors and other work and organizational antecedents. Morrison and Robinson (1997) found that psychological contract violation mediated the relationship between work and organizational perceptions and attitudinal and behavioral outcomes. This finding was reinforced by Bordia et al. (2008). In an earlier study, Henle et al. (2005) found that incidents of workplace deviance were affected both directly and indirectly by ethical ideology. In their meta-analysis of how psychological contract violation affected work-related outcomes, Zhao et al. (2007) found that feelings of violation frequently serves as intermediaries between employer-employee relational antecedents and work attitudes and behaviors.

H4: Psychological contract violation mediates the relationship between ethical climate and frontline deviance.

Affective States Theory

The phenomenon that governs the structure of our model is affective states theory (Weiss and Cropanzano 1996). Perceptions and experiences at work evoke affective reactions that then influence attitudes and behaviors. Negative perceptions in relation to expectations on the job lead to feelings of violation and/or breach. These feelings of violation then affect work attitudes. And as is clearly stated in the Theory of Reasoned Action (Azjen and Fishbein 1985), attitudes are direct predictors of behavior.

METHODOLOGY

An online data panel was used to gather data for this study. The sample was intended to be generally representative of business to business sales forces across a variety of industries. No distinction was made between salespeople earning commission only, salary only or those being compensated through a combination plan. Within the panel, participants

identifying as salespersons were specifically invited to participate in this study. A total of 2,357 salespersons entered the survey site. Salespersons (n = 2001) not identifying as business-to-business salespersons were filtered out. Listwise deletion was employed yielding 255 responses.

The respondents possess an average of 18 total and 10 years of experience in sales and their organization respectively. The average age is 52 years. Approximately 35% of the respondents are female.

Analytical Approach

Hierarchical multiple regression and the Hayes PROCESS procedure were used to test the hypothesized relationships. When examining mediation, researchers (Hayes 2009; Preacher and Hayes 2009) have recommended the use of bootstrap confidence intervals over the Sobel test because of unrealistic assumptions made by the Sobel test regarding the shape of the indirect effect sampling distribution. Bootstrapping is the practice of estimating the properties of a population by measuring multiple smaller samples from that population. For example, instead of analyzing a single sample of 100 subjects, bootstrapping would allow you to take 1,000 random samples of 10 subjects for a total of 10,000 data points. Further, the use of bootstrapping has been recommended when examining mediation models to determine more accurate estimates of the standard error of indirect effects, increase power and reduce Type 1 error rates (Shrout and Bolger 2002; Preacher and Hayes, 2008; Williams and MacKinnon 2008). Similar to other marketing research, this study uses 1,000 bootstrap samples (Anderson, Fong, Simester and Tucker 2010; Chandon, Wansink and Laurent 2000; Lee, Chen and Lu 2009). Significant differences in samples of salespeople have been found across gender (e.g. Piercy et al. 2001) and sales tenure (Jolson et al. 1987). Hence, sales tenure and gender were included as control variables in both the hierarchical multiple regression analysis and the Preacher and Hayes (2008) procedure.

Measures

Three constructs were examined in this study. All of the measures utilized items from established scales. Each item was measured using seven point Likert-type scales anchored with strongly disagree and strongly agree.

Ethical climate was assessed using seven items developed by Schwepker et al. (1997) and used in Schwepker (2001). Psychological contract violation was assessed using four items developed by Robinson and Morrison (2000). Frontline deviance was assessed using four items from Jelinek and Ahearne (2006).

RESULTS

Measurement Model Results

The data was subjected to a confirmatory factor analysis. Initial CFA results suggest poor fit (X^2=481.59, df=87; CFI=.90; RMSEA=.134; SRMR=.09), (Hair, Black, Babin and Anderson, 2010). After removing two ethical climate and one frontline deviance items, the revised measurement model provided satisfactory fit (X^2=113.60, df=51; CFI=.98; RMSEA=.070; SRMR=.05). Removal of these items did not affect the overall constructs being measured as they are considered reflective (Diamantopoulos and Winklhofer 2001). Composite reliabilities and AVE estimates exceed recommended thresholds (Hair et al. 2010). Discriminant validity refers to the conceptual distinctness of constructs (Hair et al. 2010). Hair et al. (2010) indicate that when average variance extracted estimates exceed squared correlation estimates, evidence of discriminant validity is substantiated. These assumptions of discriminant validity were met providing evidence that the measures possess discriminant validity.

Hypotheses Results

H1 proposed that an organization with a positive ethical climate will have less instances of frontline deviance. To test these relationships, hierarchical linear modeling was used. The control variables gender and sales tenure were entered within the first step followed by the predictor variable, ethical climate, in the second step. Results of the hierarchical model indicate that a positive ethical climate is significantly associated with less instances of frontline deviance (standardized coefficient = -.18; p < .01). Within the model, gender (standardized coefficient = -.15; p = < .05) is significant although sales tenure (standardized coefficient = -.11; p = n.s.) is not. The full model explained 5.7% of the variance in frontline deviance. Overall, H1 is supported.

Table 1

Means, S.D's and Pearson Correlations

Variables	1	2	3
1.Ethical Climate			
2.Psychological Contract Violation	-.39**		
3.Frontline Deviance	-.18**	.30**	
Mean	5.08	2.66	1.5
S.D.	1.43	1.68	0.9
Composite Reliability	0.92	0.98	0.9
AVE	69.6%	90.6%	75.8%

**p<.01

H2 proposed increased instances of psychological contract violation will lead to increased instances of frontline deviance. To examine the hypotheses, hierarchical linear modeling is employed again. Psychological contract violation (standardized coefficient = .29; p < .001) was significant. Gender (standardized coefficient = -.13; p = < .05) is significant although sales tenure (standardized coefficient = -.07; p = n.s.) is not significant. The full model explained 10.7% of the variance in frontline deviance. Hence, H2 is supported.

H3 proposed that an organization with a positive ethical climate will have less instances of psychological contract violation than an organization with a negative ethical climate. Results of the hierarchical model indicate that positive ethical climate (standardized coefficient = -.39; p < .001) is significantly and negatively associated with increased psychological contract violation, providing support for H3. Although gender (standardized coefficient = -.07; p = n.s.) is not significant, sales tenure (standardized coefficient = -.15; p = < .05) is. The full model explained 17.3% of the variance in psychological contract violation.

H4 proposed that psychological contract violation mediates the relationship between ethical climate and frontline deviance. The presence of a significant relationship between the independent and mediator variable (ethical climate on psychological contract violation) was verified in H3. Further, the presence of a significant relationship between the independent

and dependent variable without considering the effects of the mediator (psychological contract violation) were verified in H1. Next, the effects of both the independent variable (ethical climate) and mediator variable (psychological contract violation) on the dependent variable (frontline deviance) were examined simultaneously.

The direct effect of ethical climate on frontline deviance (standardized coefficient = -.07; p = n.s.) is no longer significant once psychological contract violation is entered into the equation. Psychological contract violation remains significantly positively associated with frontline deviance (standardized coefficient -.16; p < .01). The confidence interval for the standardized indirect effect of ethical climate (CI95% -.16 to -.04) does not include 0 indicating that psychological contract violation mediates the effect of ethical climate on frontline deviance. H4 is supported. Psychological contract violation mediates the relationship between ethical climate and frontline deviance.

DISCUSSION

The present study sought to examine the interrelationships between ethical climate, psychological climate violation, and frontline deviance. Results of the hierarchical multiple regression models and Hayes PROCESS procedure provide support for each of the hypothesis examined. We now discuss the implications arising from each of the hypothesized relationships.

Figure 1: Conceptual Model
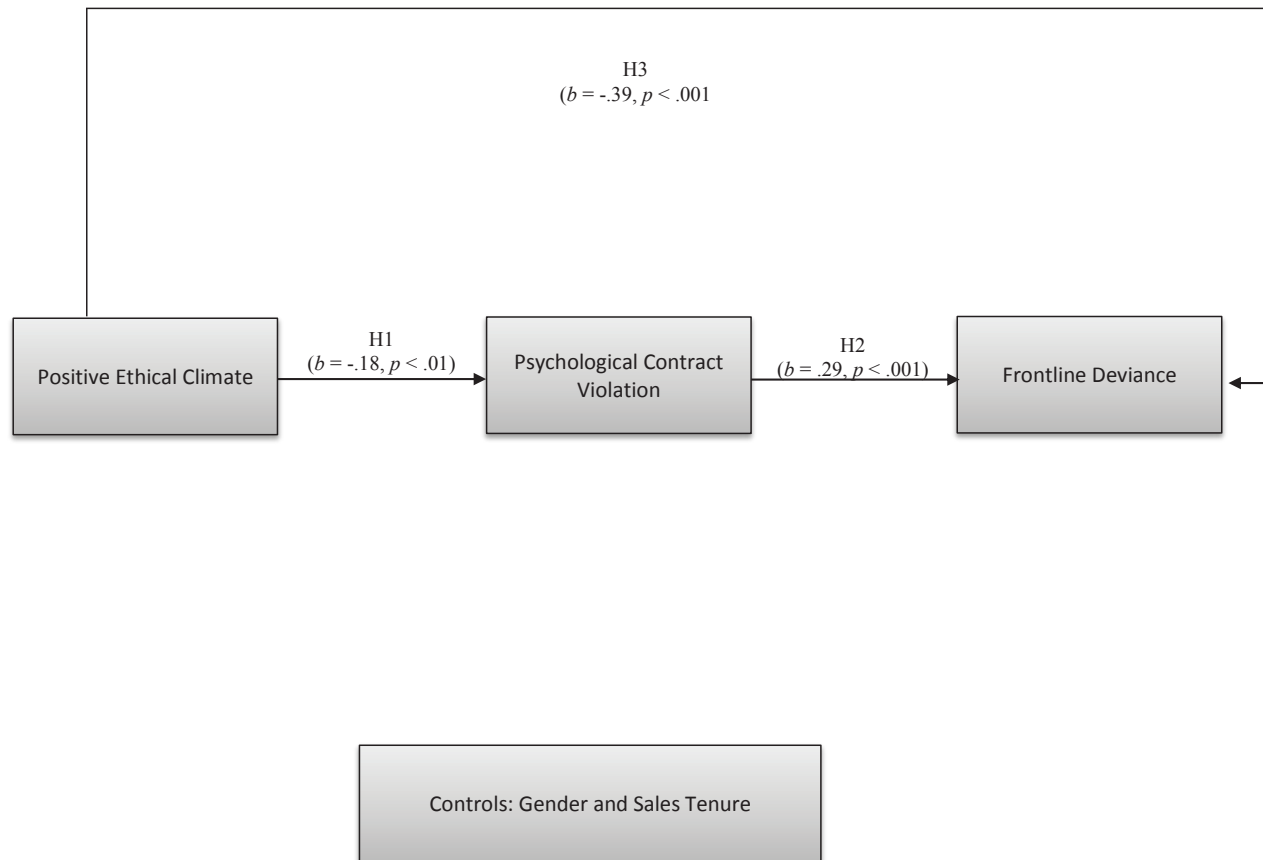
First, the relationship between ethical climate and frontline deviance was examined. The results indicate that a positive ethical climate is negatively associated with incidents of salesperson frontline deviance. There are several plausible explanations for these findings. Ethical climate may signal the acceptability and justification of behaviors directed towards current/potential customers. Hence, negative ethical climates may provide cues that deviant behavior is tolerated by the organization (or the actors within it).

It is important for managers to not only ensure that a positive ethical climate exists in code, but that it is practiced in behavior of actors within the firm as well. Deviance often occurs in a tribal form (Johnston and Marshall 2013), meaning that it tends to be pervasive among smaller groups within a sales force rather than in the sales force as a whole. All employees should have access to the code of ethics in both physical and electronic forms. In addition, it is recommended that salespeople be exposed to the code of ethics in various improvement/enrichment activities. For example, requiring each salesperson to pass a quiz on the organization code of ethics at performance evaluation time will reinforce the code and keep it salient to the salesperson. This should have a decreasing influence on more increased tribal frontline deviance behaviors.

Psychological contract violation was positively associated with increased incidents of frontline deviance. This is an interesting finding for two reasons. First, customers are generally not perceived as being a part of the psychological contract between employees and their organization. Second, many sales persons derive at least part of their compensation from commission yielded through customer interactions, so deviant behavior towards them doesn't make a lot of sense.

There are several plausible explanations for this interesting finding. Given the dependence of salespersons on customers, customers may be encompassed within the psychological contract salespersons form with their organization. Hence, by directing deviant behavior towards customers, salespersons are restoring the equity balance of their relationship with the organization. I.E., if I drive the customer away through deviant behavior, I hurt the company as a whole.

Further, although sabotaging the organization's reputation and relationships with potential customers/current customers may hurt sales, such acts may bring enough emotional satisfaction to outweigh the consequences in the salesperson's mind. Salespersons who do not perceive their organization to be meeting the obligations promised may seek to reduce the inputs into their job. Such inputs may include handling emotions and self-restraint in their interactions with customers, and salespeople may perceive acting out as a means of restoring equity within the psychological contract. Two-way feedback sessions are a good way to alleviate this problem. Allowing the salesperson an opportunity to express any dissatisfactions with the organization (real or imagined) will make the salesperson feel like their voice is heard; management will be aware if a salesperson feels their psychological contract has been violated, allowing the firm to be able to identify what steps should be taken to restore the sanctity of the psychological contract.

Results provide support for the notion that ethical climate can affect the psychological contract salespersons form with their employers. Positive ethical climates led to decreased instances of psychological contract violation. This suggests that salespersons expect their organization to provide an ethical work environment, and when the organization fails to meet this obligation, intense affective reactions directed at the organization may result.

Within the analysis, psychological contract violation was shown to mediate the relationship between ethical climate and frontline deviance. This is an important finding because the results suggest that the relationships between a positive ethical climate and psychological contract violation and the relationship between psychological contract violation and frontline deviance

explain much of how and why ethical climate impacts frontline deviance. Based on this finding, managers should be attempting to reduce incidents of frontline deviance by operating on two fronts, a) ensuring that employees buy into the organization's positive ethical climate and b) ensuring that employees have the opportunity to discuss and possible resolve perceived incidents of psychological contract violation.

LIMITATIONS AND FUTURE RESEARCH

Given the cross-sectional design of the present study, causality between the independent, mediator, and dependent variable cannot be determined. However, ordering in the relationships proposed is heavily based upon existing research. Despite this, future research should examine the proposed relationships using a longitudinal design. A further limitation of the present study design is that it is prone to common method bias. To examine the extent of common method bias within the data we conducted Harman's single factor test. Fit of the single factor model is poor (X^2=1367.29, df=54; CFI=.57; RMSEA=.309; SRMR=.25); furthermore, results of the chi-square difference test (ΔX^2=1253.69; Δdf=3) indicate the revised measurement model provides superior fit over the Harman's single factor. Results of the single factor model and chi-square different test provide evidence that common method bias is a not an issue. Regardless, future research should examine the proposed relationships using multiple data sources to overcome the limitations of common method bias. One approach would be to include supervisor assessments of employee interpersonal, organizational, and frontline deviance as the dependent variables. Finally, as the R2 indicates, our model accounts for a portion of the variance in the dependent variable, with a substantial portion of the variance yet to be explained, this opens the door for future research.

REFERENCES

Azjen, Icek and Martin Fishbein (1985), "From Intentions to Actions: A Theory of Planned Behavior," Action Control – From Cognition to Behavior, Springer: Heidelberg.

Ball, Gail A., Linda K. Trevino and Henry P. Sims, Jr., (1994), "Just and Unjust Punishment: Influences on Subordinate Performance and Citizenship," *Academy of Management Journal*, 37 (2), 299-322.

Barnett, Tim and Elizabeth Schubert (2002), "Perceptions of Ethical Work Climate and Covenantal Relationships," *Journal of Business Ethics*, 36 (1), 279-290.

Bennett, Rebecca J. and Sandra L. Robinson (2000). "Development of a Measure of Workplace Deviance," *Journal of Applied Psychology*, 85 (3), 349-360.

Berry, Christopher M., Deniz S. Ones and Paul R. Sackett (2007), "Interpersonal Deviance, Organizational Deviance and Their Common Correlates: A Review and Meta-Analysis," *Journal of Applied Psychology*.

Blake, R.B. and D.A. Carroll (1989), "Ethical Reasoning in Business," *Training and Development Journal*, 43 (6), 99-104.

Bordia, Prashant, Simon Lloyd D. Restubog and Robert L. Tang (2008), "When Employees Strike Back: Investigating Mediating Mechanisms Between Psychological Contract Breach and Workplace Deviance," *Journal of Applied Psychology*, 93 (5), 1104-1117.

Cooley, D.R. (2002), "False Friends," *Journal of Business Ethics*, 36 (3), 195-207.

Cullen, John B., Bart Victor and C. Stephens (1989), "An Ethical Weather Report: Assessing the Organization's Ethical Climate," *Organizational Dynamics*, 18 (2), 50-63.

Cullen, John B., K.B. Parboteeah and Bart Victor (2003), "The Effects of Ethical Climates on Organizational Commitment: A Two-Study Analysis," *Journal of Business Ethics*, 46 (2), 127-141.

Diamantopoulos, Adamantios and Heidi M. Winklhofer (2001), "Index Construction with Formative Indicators: An Alternative to Scale Development," *Journal of Marketing Research*, 38 (2), 269-277.

Hackman, J.R. (1992), "Group Influences in Individuals in Organizations," Handbook of Industrial-Organizational Psychology, Consulting Psychologists Press: Palo Alto, CA.

Hair, J. F., Black, W. C. Jr., Babin, B. J., & Anderson, R. E. (2010). *Multivariate Data Analysis (7th Edition)*. Upper Saddle River, NJ: Prentice Hall.

Henle, Christine A., Robert A. Giacolone and Carole L. Jurkiewicz (2005), "The Role of Ethical Ideology in Workplace Deviance," *Journal of Business Ethics*, 56 (1), 219-230.

Hogan, R. (1973), "Moral Conduct and Moral Character: A Psychological Perspective," *Psychological Bulletin*, 79 (1), 217-232.

Jacobs, Richard S., Michael R. Hyman and Shaun McQuinty (2001), "Exchange-Specific Self-Disclosure, Social Self-Disclosure and Personal Selling," *Journal of Marketing Theory and Practice*, 9 (1), 48-63.

Jelinek, Ronald and Michael Ahearne (2006). "The Enemy Within: Examining Salesperson Deviance and its Determinants," *Journal of Personal Selling and Sales Management*, 26 (4), 327-344.

Jelinek, Ronald and Michael Ahearne (2010). "Be Careful What You Look For: The Effect of Trait Competitiveness and Long Hours on Salesperson Deviance and Whether Meaningfulness of Work Matters," *Journal of Marketing Theory and Practice*, 18 (4), 303-321.

Jolson, Marvin, Alan J. Dubinsky and Rolph E. Anderson (1987), "Correlates and Determinants of Sales Force Tenure: An Exploratory Study," *Journal of Personal Selling and Sales Management*, 7 (3), 9-27.

Kickul, L., G. Neuman, C. Parker and J. Finkl (2001), "Settling the Score: The Role of Organizational Justice in the Relationship between Psychological Contract Breach and Anti-Citizenship Behavior," *Employee Responsibilities and Rights Journal*, 13 (1), 77-93.

Kohlberg, L. (1983), *Moral Stages: A Current Formulation and Response to Critics*, Karger: New York.

Lee, Ruby P. Qimei Chen, and Xiongwen Lu (2009), "In Search of Platforms to Increase Market Responsiveness: Evidence from Foreign Subsidiaries," *Journal of International Marketing*, 17 (2), 59-73.

Levinson, H., C. Price, C. Munden, H. Mandl and C. Solley (1962). Men, *Management and Mental Health*, Cambridge: Harvard Press.

Lewis, P.V. (1985). "Defining "Business Ethics:" Like Nailing Jello to a Wall," *Journal of Business Ethics*, 1 (4), 337-383.

Morrison, Elizabeth W. and Sandra L. Robinson (1997). "When Employees Feel Betrayed: A Model of How Psychological Contract Violation Develops," *Academy of Management Review*, 22 (1), 226-256.

O' Donohue, Wayne and Lindsay Nelson (2009), "The Role of Ethical Values in an Expanded Psychological Contract," *Journal of Business Ethics*, 90 (1), 251-263.

Preacher, Kristopher J. and Andrew F. Hayes (2008), "Asymptotic and Resampling Strategies for Assessing and Comparing Indirect Effects in Multiple Mediator Models," *Behavior Research Methods*, 40 (3), 879- 891.

Piercy, Nigel F., David W. Cravens and Nikala Lane (2001), "Sales Manager Behavior Control Strategy and its Consequences: The Impact of Gender Differences," *Journal of Personal Selling and Sales Management*, 21 (1), 39-49.

Restubog, Simon Lloyd D., Prashant Bordia and Robert L. Tang (2006), "Effects of Psychological Contract Breach on the Performance of IT Employees," *Journal of Occupational and Organizational Psychology*, 79 (1), 299-306

Restubog, Simon Lloyd D., Prashant Bordia and Robert L. Tang (2007), "Behavioral Outcome of Psychological Contract Breach in a Non-Western Culture," *British Journal of Management*, 18 (1), 376-386.

Robinson, Sandra L. and Rebecca J. Bennett (1995). "A Typology of Deviant Workplace Behaviors: A Multidimensional Scaling Study," *Academy of Management Journal*, 38 (2), 555-572.

Robinson, Sandra and Rebecca J. Bennett (1997), "Workplace Deviance: Its Definition, Its Manifestations and Its Causes," in *Research on Negotiations in Organizations*, JAI: Greenwich, CT.

Rousseau, D.M. (1989). "Psychological and Implied Contracts in Organizations," *Employee Responsibilities and Rights Journal*, 1 (2), 121-139.

Schneider, Benjamin (1983), "Work Climates: An Interactionist Perspective," *Environmental Psychology*, Praeger: New York.

Schwepker, Charles H. (2001), "Ethical climate's relationship to job satisfaction, organizational commitment, and turnover intention in the Salesforce." *Journal of Business Research*, 54, 39-52.

Schwepker, Charles H., O.C. Ferrell and Tom N. Ingram (1997), "The Influence of Ethical Climate and Ethical Conflict on Role Stress in the Sales Force," *Journal of the Academy of Marketing Science*, 25 (1), 99-108.

Schwepker, Charles H. and David J. Good (2005), "Marketing Controls and Sales Force Customer Orientation," Journal of Personal Selling and Sales Management, 27 (4), 327-341.

Skarlicki, Daniel P. and Robert Fogler (1997), "Retaliation in the Workplace: The Roles of Distributive, Procedural and Interactional Justice," *Journal of Applied Psychology*, 82 (3), 434-444.

Turnley, W.H. and D.C. Feldman (1999), "A Discrepancy Model of Psychological Contract Violation," *Human Resource Management Review*, 9 (3), 367-386.

Victor, Bart and John B. Cullen (1988), "The Organizational Bases of Ethical Work Climates," *Administrative Science Quarterly*, 33 (1), 101-125.

Weeks, William, Terry W. Loe, Lawrence B. Chonko and Kirk Wakefield (2004), "The Effect of Perceived Ethical Climate on the Search for Sales Force Excellence," *Journal of Personal Selling and Sales Management*, 24 (3), 199-214.

Weiss, H.M. and Russell Cropanzano (1996), "Affective Events Theory: A Theoretical Discussion of the Structure, Causes and Consequences of Affective Experiences at Work," *Research in Organizational Behavior*, 18 (1), 1-74.

Wimbush, James C. and Jon M. Shepard (1994), "Toward an Understanding of Ethical Climate: Its Relationship to Ethical Behavior and Supervisor Influence," *Journal of Business Ethics*, 13 (3), 637-647.

Zhao, Hao, Sandy J. Wayne, Brian C. Glibkowski and Jesus Bravo (2007), "The Impact of Psychological Contract Breach on Work-Related Outcomes: A Meta-Analysis," *Personnel Psychology*, 60 (3), 647-680.