PUNISHMENT OF UNETHICAL RETAIL BEHAVIOR AND THE ROLE OF MACHIAVELLIANISM

Charles D. Bodkin, The Belk College of Business Administration, Department of Marketing, University of North Carolina-Charlotte, 9201 University City Blvd., Charlotte, NC 28223; (704) 687-4394. cbodkin@email.uncc.edu

ABSTRACT

In 2003 WalkerInformation conducted a national employee loyalty study that looked at ethics in the workplace. Their report suggested 24% of employees are aware of ethical violations in their workplace. The top five unethical violations included unfair treatment of employees, lying on reports, stealing, lying to supervisors, and conflicts of interest. Of the 24% of employees that were aware of violations only 40% reported the unethical behavior. Reasons for not reporting violations included fear of retaliation, not feeling that the organization would respond to their report, and the lack of anonymity when reporting. The WalkerInformation study also found that the top three industries for best workplace ethics included the insurance, financial services, and health care industries. The retailing industry was rated fourth yet it represents the third largest employing industry after service and government jobs (Center for Retailing Studies, Texas A&M).

Much research has also addressed the ethical behavior of business students. Borkowski and Ugras (1998) performed a meta-analysis of 56 academic studies involving business students. Fifty of the 56 studies simply measured individual's attitudes, and the findings suggest that women and older students were more ethical than males and younger students. While ethics related research continues to measure attitudes (e.g., Burnett, Keith, and Pettijohn 2003, Silver and Valentine 2000: Yoo and Donthu 2002) the question of how students would react to unethical behaviors has received little mention in the literature.

Machiavellianism is a personality trait known to impact ethical decision-making (Christie and Geis, 1970). Machiavellianism has been described as "a person's general strategy for dealing with people, especially the degree to which he feels other people are manipulatable in interpersonal situations" (Robinson and Shaver, 1973, p. 590). Machiavellians ignore the needs and rights of others and employ devious, manipulative tactics to achieve objectives for personal or organizational gain (Calhoon, 1969, p. 211). They use others in the service of accomplishing personal objectives (Christie and Geis, 1970, p. 1) and see nothing wrong with questionable ethical actions (e.g., calling in sick when personal time is needed) that meet their self-interests (Mudrack, 1993). In addition, Machiavellians will cheat (Flynn, Reichard, and Slane., 1987), lie, if there is the potential for personal gain (Fletcher, 1990), behave less ethically and in general are more likely to justify their unethical behavior (Hegarty and Sims 1978, 1979; Giacalone and Knouse, 1992). Disturbingly, research by Robinson and Shaver's (1973) found evidence of increasing Machiavellianism between generations.

Geis and Christie (1970) found that individuals scoring high on the Machiavellianism scale (i.e., high machs) "manipulate more, win more, are persuaded less, persuade others more,..." (p. 312). They theorized that there was an interaction between Machiavellianism and the situation (i.e., "loosely structured" compared with "highly structured"), and that the greatest difference in the tactics used by high and low Machiavellians would be found in loosely structured situations. In marketing a loosely structured situation might be represented by an individual in a sales position. Christie and Geis (1970) suggest that the sales profession might attract those with less moral intentions. It is well known that some job environments can predispose salespeople to unethical behavior (Behrman and Perreault, 1984; Wotruba, 1990), though Hunt and Chonko (1984) have shown that marketing people are not necessarily Machiavellian.

If an instructor knew that his/her class was comprised of high Machiavellians they could make adjustments to the curriculum. For example, online ethics learning modules could be developed to help high Machiavellians better understand how their lack of punishment could lead to problems in the organization. This could be accomplished by having students complete the Machiavellianism questionnaire online and when completed they would be automatically directed to specific readings tailored to their individual scores. In the current study the focus is on retailing related situations. These types of situations are likely to resonate with students as many of them are likely to have worked in retailing at some point in their lives. By discussing the three categories (i.e., customer, work, and peer-related) of retail situations separately the instructor could put greater emphasis on the customer-related behaviors.