Introduction
Tales of the demise of high-profile business leaders have abounded in recent years. These include individuals such as the well-connected Bernie Madoff, with his sophisticated $65 billion Ponzi scheme, and Sir Allen Stanford, a flamboyant multibillionaire of the now-defunct Stanford Financial that swindled investors through the sale of bogus certificates of deposit (Economist, 2009). These two criminals, as well as many others involved in investment scams or questionable practices on Wall Street, graduated from well-respected universities—Madoff graduated from Hofstra, Stanford from Baylor University. As a result, business schools have been criticized for contributing to these scandals by focusing too much on analytical skills in order to manipulate the bottom line at the expense of teaching the ethical implications of such actions (cf., Heller & Heller, 2011). Ken Lay, former CEO of Enron and a graduate of the University of Missouri, indicated that one of the reasons the company imploded was because of “young, aggressive, highly educated employees that were reinventing the rules of the energy industry with the average age of [Enron] employees at only 35” (Ferrell & Ferrell, 2010, p. 212). Thus, it is not surprising that many business schools and their governing bodies such as the American Assembly of Collegiate Schools of Business (AACSB) continue to require ethics as a crucial part of the curriculum.

However, genuine concern is still voiced about graduates’ readiness to face ethical dilemmas in the workplace (cf., Dean, Beggs, & Keane, 2010; Moberg, 2006). In fact, some research has shown that even when students are given the tools to make ethical decisions through coursework, cases, and so on, the situational context of the workplace challenges or even discredits those tools (Badaracco &
Webb, 1995; Moberg, 2006). Thus, even when students and/or college graduates have the best ethical intentions, the context of their workplace can overrule these intentions. As one ethics researcher states,

It is doubtful that many people begin their careers with the ambition to damage or destroy the careers and investments of other people. (Porter, 2010, p. 547)

Thus the question still remains: How can marketing educators help prevent this from happening? Consequently, a large body of pedagogical research exists and continues to evolve on developing curricula and ethics-training tools at the undergraduate and graduate levels to prepare college graduates for entering the workforce (cf., Bodkin & Stevenson, 2007; Donoho & Heinze, 2011; Loe & Ferrell, 2001; Singhapakdi, 2004). However, many college students are already in the workplace. According to the Chronicle of Higher Education (2011), almost 25% of full-time undergraduate students aged 16 to 24 who attend 4-year institutions work more than 20 hours per week. Additionally, 80% of part-time students in the same age bracket attending 4-year institutions work 20 hours or more. As the costs of higher education increase, this trend of working while attending school is expected to continue (Chronicle of Higher Education, 2011). Although the typical kind of employment while attending school may not be the ultimate “dream job” students anticipate on graduation, they are still socialized into the workplace culture, sometimes long before they graduate. Many of these jobs are considered entry-level or frontline employee positions in business-to-consumer (B2C) retail or service industries. Often, these high-contact and lower-level employment positions are ripe for ethical misconduct (cf., Brady, Voorhees, & Brusco, 2012). Most research, however, on the ethical decision making of employees in organizations has focused on upper-level managers and CEOs (Ferrell & Ferrell, 2010; Wasielewski & Weber, 2009). While this important stream of research has proved insightful, ethics scholars have also recognized and emphasized that there are more low-level employees who face ethical issues and/or dilemmas on a daily basis (Dean et al., 2010). For example, a reluctant midlevel accountant with Worldcom just followed her boss’s orders when she falsified accounting entries to hide the fact that the company was in deep financial trouble (Pulliam, 2003). More recently, service “sweethearting”—where entry-level employees give customers preferential treatment, discounts, and merchandise at the expense of the company—is common and costly to upper management (Brady et al., 2012). This suggests that although lower- or entry-level employees may have good intentions, they may act differently when their superiors, significant others, and the organizational context have the power to influence the outcome of these issues. Thus, it is not surprising that Trevino, Weaver, and Brown (2008) found significant gaps between senior managers and lower-level employees in terms of perceived ethical issues. Although they often set the ethical tone of the corporation, research shows that corporate leaders of unethical corporations are insulated from day-to-day decision making. Furthermore, these corporate leaders may not actually conduct unethical deeds. Research has found that senior-level managers perceive their organizations to be more ethical than lower-level employees (Trevino et al., 2008). Consequently, the CEO’s actions set the stage with goals, objectives, vision, and mission—while the actual misconduct is carried out by mid- and lower-level employees who can push “the boundaries of acceptable conduct” (Ferrell & Ferrell, 2010, p. 218).

Based on this research, there appears to be a disconnect between the “letter” (i.e., corporate leaders) and the “spirit” (i.e., lower-level employees) of the organization’s rules. As has been well documented, the real learning about ethical/unethical conduct in an organization comes from corporate peers (e.g., Ferrell & Gresham, 1985) at the same level within the firm. In sum, ethics, ethical decision making, and the role ethics plays in the firm can be different for each level of the corporate hierarchy. Those at the top, middle, and bottom rung of the organization likely face a very different manifestation and understanding of ethics. What is unique about the bottom rung is that these individuals do not set the ethical tone of the organization; rather, they observe and learn from their peers. Much of the time, these individuals simply react to the situation, do as instructed, or observe the misconduct in the workplace. Given the paucity of research at this bottom rung, we focus on this level of the firm for our study—a level where part- and full-time students are likely to be employed. The purpose of this study is to investigate, categorize, and understand ethical dilemmas faced by college students who work in entry- or lower-level positions while attending school. As its conceptual base, this article considers ethical decision-making models (e.g., Ferrell & Gresham, 1985; Hunt & Vitell, 2006, 1986; Trevino, 1986) and corporate ethical values (Hunt, Wood, & Chonko, 1989). A qualitative approach for this study was taken due to the scarcity of research on ethical issues faced by entry-level employees and the call by ethics researchers for qualitative research to explore the complex and psychosocially embedded nature of business ethics (cf., Dean et al., 2010; Moberg, 2006; Phillips, 1992). The implications of the emergent ethical issues and values from this study are then discussed in terms of directions for marketing educators.

This exploratory study contributes to ethics researchers and educators in several ways. First, this research is among the first that investigates ethical dilemmas encountered within the entry-level workforce. Second, this study is also among the first to acknowledge the role of ethics in the workplace during the college education experience. Here, an important contribution is to gain an understanding of
what these students learn on the job outside of the classroom. Third, this research answers the call for more contextual and qualitative research in ethics. And finally, this research identifies the most salient ethical values emergent at this level in the workforce, which, in turn, can help further develop and refine pedagogical ethics tools in the classroom.

Conceptual Foundation

Ethical decision-making models have shown the factors that influence an employee’s decision within an organization. These models (e.g., Ferrell & Gresham, 1985; Hunt & Vitell, 1986; Trevino, 1986) have focused on individual and situational factors (Ferrell, Johnston, & Ferrell, 2007) that may affect an individual’s ethical decision making. Recent research in ethics has emphasized that although individual factors (e.g., religious orientation, education, etc.) are important, they are not as influential in ethical decision making as the situation (Dean et al., 2010). Thus, we focus on the situational factors of ethical decision-making models. For example, Ferrell and Gresham’s contingency model (1985) holds that the decision making of individuals is contingent on external factors. The Hunt and Vitell model, a process model, “addresses the situation in which an individual confronts a problem perceived as having ethical content” (Hunt & Vitell, 2006, p. 2). Likewise, Trevino’s (1986) interactionist model holds that ethical decision making results from the interaction of individual and situational factors. The common thread in all of these models is that they start with an ethical issue/dilemma/problem in a particular situation and then proceed to the actual ethical or unethical decision.

For the purpose of this research, we explore ethical dilemmas in the situation of the entry-level working college student. Here, the contextual/situational factors of the organization have been found to be more salient (Martin & Cullen, 2006) in ethical outcomes. This may explain why well-intentioned employees make unethical decisions. Thus, the organizational context plays an important role to entry-level employees as they seek to optimize their performance and keep their jobs secure while attending college.

Significant Others

Entry-level employees rely on their coworkers, managers, and training programs to learn about performing their job successfully. However, when faced with an ethical dilemma on the job, entry-level employees often seek advice of these same individuals within the firm as well as significant others outside the firm who may influence their decisions. Thus, many of the models of ethical decision making have incorporated significant others as a major influence on ethical decision making (cf., Ferrell & Gresham, 1985; Hunt & Vitell, 1986; Trevino, 1986).

Research in psychology and sociology on differential association (cf., Sutherland & Cressey, 1970) has shown that individuals’ decisions are influenced by people close to them, whether spatially (i.e., coworkers within the firm) or perceptually (friends and family outside the firm). In the case of entry-level employees, this differential association is worth investigation due to their inexperience on the job. However, supervision in the entry-level job context cannot be overlooked as a major influence on ethical decision making. According to role-set theory (cf., Ferrell & Gresham, 1985; Merton, 1957), the status of employees in an organization may influence ethical decisions. Thus, much research in ethics has investigated the relationship between employees and supervisors and the outcome of ethical decisions (cf., Ferrell et al., 2007; Hunt, Chonko, & Wilcox, 1984; Zey-Ferrell & Ferrell, 1982). Here, if an employee’s supervisor is acting in an ethical or unethical manner, then the employee may follow that same path.

Corporate Ethical Values and Conduct

Corporate ethical values have been defined as the “composite of the individual values of managers and both the formal and informal policies on ethics of the organization” (Hunt et al., 1989, p. 79). Thus, corporate ethical values have also been included in models of ethical decision making (e.g., Ferrell & Gresham, 1985; Hunt & Vitell, 1986; Trevino, 1986) as one of the major influences on the ethical decision making of employees. Research in ethics has shown that the institutionalization of these values within the organization may affect ethical behavior of employees (e.g., Gellerman, 1986; Murphy, 1989; Stevens, 1994; Vitell & Singhapakdi, 2008).

The institutionalization of corporate ethical values in an organization has manifested itself in a variety of ways—including codes of ethics and creating a structure for ethics in the organization (Grisaffe & Jaramillo, 2007). This includes creating positions for ethics officers and ethics committees along with implementing ethics training and newsletters (Ferrell, Fraedrich, & Ferrell, 2002; McClaren, 2000; Murphy, 1989; Vitell & Singhapakdi, 2008). In their meta-analysis, O’Fallon and Butterfield (2005) reviewed the findings of 20 empirical studies that linked the existence of codes of ethics with ethical decision making. According to their analysis, 18 out of 20 studies reported that using elements such as codes of ethics to help establish an ethical climate had a positive effect on ethical decision making. Thus, if the core ethical values of an organization are integrated into its corporate culture, employees may act in a more ethical and socially responsible manner when faced with an ethical dilemma (Robin & Reidenbach, 1987).

The content of ethical codes was also examined by ethics researchers in university and organizational contexts (Hite et al., 1988; Jamal & Bowie, 1995; McCraw, Moffeit, & O’Malley, 2008). These codes have been developed and
analyzed because organizations or individuals may have the “resources and/or skills to either benefit or harm society” (McCraw et al., 2008, p. 2). For example, in response to ethical lapses of judgment by major U.S. corporations, Congress enacted the Sarbanes-Oxley Act of 2002 (107th Congress, 2002), which required the Securities and Exchange Commission to implement rules regarding accurate and timely disclosure, honest and ethical conduct, compliance with regulations, prompt reporting of violations, and accountability. In the university context, AACSB requires member schools to establish ethical expectations and guidelines in terms of the responsibility of business to society, ethical decision making, ethical leadership, and corporate governance (AACSBI, 2004; McCraw et al., 2008).

In marketing, no stranger to ethical breaches, ethical codes and their accompanying values have been espoused by the American Marketing Association (AMA). The AMA values include the following: honesty, transparency, fairness, respect, responsibility, and citizenship (AMA, 2012). Furthermore, the AMA clearly outlines how marketers should act to affirm each value (see the appendix). To affirm Honesty, one must be forthright, truthful, and honor commitments. Transparency entails being open in marketing operations by communicating clearly. Fairness seeks to “balance justly the needs of the buyer with the interest of the seller.” Respect encourages marketers to value individual differences and “acknowledge the basic human dignity of all stakeholders.” Responsibility includes considering the consequences of marketing practices. Finally, citizenship encompasses philanthropic and societal responsibility.

These values are often used in marketing pedagogy as a starting point for discussing ethics and responsible behavior. Many marketing textbooks have included these values as examples of codes of conduct (e.g., Grewal & Levy, 2013), whereas others have woven each value into ethical scenarios to help students identify and understand how they emerge in marketing organizations and related job positions (e.g., Ferrell et al., 2002; Pride & Ferrell, 2012). Thus, educators make a concerted effort to ensure that students understand the realm of ethics and values in marketing and that they possess such tools when they enter the workforce. However, as discussed earlier, many students are already in the workforce.

In summary, entry-level employees may face ethical issues that are of a different nature than managers or corporate leaders in the organization. To complicate the matter, entry- or lower-level working college students may face these dilemmas and bring them back to the college learning environment. Thus, the context of college students working in these types of positions is worth investigating in terms of determining what these dilemmas are, who influences entry-level employees in these ethical situations, the ethical values most associated with these issues, and how marketing educators can learn from and incorporate these dilemmas into their curriculum to provide further guidance to students. Based on this discussion, the following research questions are presented:

Research Question 1: What ethical dilemmas do working college students encounter on the job?

Research Question 2: Who influences working students when they are faced with such dilemmas?

Research Question 3: What ethical values emerge from these dilemmas?

Research Question 4: How can these dilemmas and values be incorporated into the college student learning experience?

Research Method

A qualitative study was deemed an appropriate starting point to investigate the domain of ethics and entry-level working college students. Qualitative studies are an appropriate method when phenomena are not well understood or the relationships between phenomena are unclear (Eisenhardt, 1989). This perspective toward qualitative research has been echoed by ethics researchers (cf., Dean et al., 2010) in that more qualitative research is needed to explore the complex and psychosocially embedded nature of business ethics (cf., Dean et al., 2010; Phillips, 1992). For example, scholars have employed content analysis in ethics research to examine many areas including corporate responsibility (Frostenson, Helin, & Sandstrom, 2011) and ethical codes (Helin & Sandström, 2008).

This study analyzes the content of entry-level working students’ written narratives of on-the-job unethical behavior they have been part of, been pressured to participate in, or have witnessed. This methodology allows the respondent to define the unethical situation in his or her own terms and allows the researchers to measure something when observation will likely alter the behavior (Kassarjian, 1977).

For this study, we developed a semistructured set of in-depth questions that attempted to explore the description of an unethical dilemma in the workplace and anyone who influenced the outcome of this unethical dilemma. This methodology can help gather descriptions of the “life-world of the interviewee with respect to interpretation of the described phenomena” (Kvale, 1983, p. 174). Next, we developed the following consistent criteria on how we would select and analyze the narratives (e.g., Kassarjian, 1977) from the respondents: (a) the unethical dilemma happened as an employee (e.g., not as a customer), (b) the situation described was an ethical dilemma and not something else (e.g., bad customer service or an illegal act), (c) the dilemma was something that the respondent witnessed or was part of (e.g., firsthand experience), (d) the dilemma was a specific personal narrative not a general story on unethical dilemmas, and (e) the narratives were clear enough to understand and to glean the appropriate data.
Sample and Procedure

Undergraduate students from marketing courses at two commuter universities were recruited for this study. The undergraduate students represented in the sample include all business disciplines and a few majors from other colleges, for example, consumer science, hospitality. Whereas recent research has begun bridging the gap in the ethics literature by examining “MBAs occupying entry-level and mid-level management positions” (Dean et al., 2010, p. 51), this research continues that stream by examining undergraduates who work, at least part-time, in entry-level positions.

As part of an in-class exercise, students were asked to recall a time in the last 6 to 12 months when they encountered an unethical marketing situation. To ensure fairness and complete participation as a class exercise, students were asked to describe, in writing, one of two ethical dilemmas that happened specifically to them: either as (a) a customer or (b) as an employee (if they worked at least part-time while attending school). Students were given ample time to describe and give details of the situation, who influenced the outcome of the situation, and provide some demographics about themselves.

A total of 217 students participated in the study. Based on our narrative criteria, 139 of the respondents provided written narratives that were usable for the analysis. Thus, many of the students (64%) were employed in entry-level positions, where they worked at least 20 hours per week and encountered an ethical dilemma on the job. Most of the students were employed in business-to-consumer (B2C) organizations. The majority of these organizations were service-oriented retail stores where employees interacted with customers on a daily basis. Many worked in apparel or electronics stores (37%); were food servers at restaurants (21%); worked in professional service offices such as real estate, insurance, or financial planning (18%); or provided repair service (6%) such as computer or automotive. Approximately 5% worked in a variety of consumer service settings such as lawn care, fitness centers, and salons. The remaining working students were employed in construction or industrial distribution.

Analysis

After the written narratives were completed, an iterative analysis was conducted as suggested by many qualitative researchers (cf., Glesne, 1998). Here, the research team met to go over the notes and corroborate the writings of each entry-level working student. Any questions or inconsistencies the research team had with the data were clarified in a team meeting. This process was intended to enhance the validity of the study (Yin, 1994).

As a framework for identifying the corporate ethical values emergent in the ethical dilemmas described by working students, and based on the common ethical values that have emerged from previous studies, we used the ethical values espoused by the AMA (see the appendix). The respondents’ ethical dilemmas were subsequently analyzed and coded by a three-person research team. The AMA definitions and explanations provided the coders with clarification for consistent coding. The three coders independently categorized the dilemmas using the AMA ethical values to determine what ethical value had been breached. If there was disagreement, the three coders used the AMA clarifications to discuss their reasons for categorization. All but six of the narratives came to a consensus after discussion and deliberations—resulting in 96% interrater agreement.

Results and Discussion

The findings of our narrative analysis and corresponding research questions are depicted in Table 1. This table summarizes our findings by providing common examples of ethical dilemmas (Research Question 1), the influence of significant others (Research Question 2), classification of emergent ethical value (Research Question 3), and the percentage of dilemmas that matched the ethical value. Of all of the ethical dilemmas described by our working-student respondents, fully one third (34%) were associated with honesty and 26% were associated with transparency. Respect, in the form of treating customers with respect regardless of age, gender, race, or inferred income, was associated with 15% of the respondents’ reported dilemmas. Fairness was associated with 13% of the dilemmas reported by students. Only 8% of the described dilemmas were associated with responsibility, and none of the incidents described appeared to be associated with the value of citizenship. The remaining dilemmas (4%) were not included due to nonconsensus of the judges. More in-depth discussion of our results follows.

Honesty

The types of ethical dilemmas that entry-level working students most frequently encountered dealt with the value of honesty. More than one third of the respondents in the study indicated that they witnessed, were told to, or told customers themselves something that was false or left out enough details to render the encounter truthful but not honest. Most accounts detail how the dishonesty, if detected, is covered with a well-rehearsed script, nonapparent scapegoat, or simple excuse. Some examples include the following: not telling the customer the whole truth, padding the bill in areas where customers typically do not notice, failing to provide the downside while embellishing the upside of a product, and skirting around the issue of poor product quality.

In the majority of the dilemmas analyzed, entry-level working students often consulted their coworkers on how to
handle the situation. In other situations, employees were told directly by their managers, before the ethical dilemma even occurred, to either respond to customers in a certain way or to ignore the issue.

**Honesty Narratives**

One summer I was working in a retail store in the mall that sold different body sprays, lotions, soaps, etc. . . . the manager of that store would get a bonus every month if the store’s sales would exceed a certain amount. This was a few years back when everyone was starting to get more environmentally conscious. To gain these types of customers and adhere to the growing trend, the managers would have the employees set up displays with signs such as, “Buy one get one free! 100% friendly to the environment.” . . . The manager was doing this to make people think that the product was eco-friendly, however, the products themselves did not say “organic” or “eco-friendly” anywhere on the label.

One day I was looking over one of our brochures and saw that the kennel services included classical music, a TV provided for the dog at an additional fee, and extra playtime for an additional fee. I had never been told by the people who trained me that we offered these services. I was concerned that we might be charging customers for services that we weren’t actually providing them. I decided to ask one of my coworkers about it. Maybe they didn’t know about it either. So I asked one of the other kennel workers and she said, “Yeah, they tell customers that we offer those services to provide them the peace of mind that we are taking good care of their dogs. We are too busy to spend extra time with the dogs and we don’t have any TVs. We do play music but it’s not classical, it’s whatever radio station we like.”

One of our payment machines constantly shorted people on their change. On many high volume days, such as weekends, we would be as much as hundreds of dollars over on our money at the end of the day. Most customers did not notice, since it was a drive-through, and they just put their change away without counting. We put in requests many times to replace the machine as it was not able to be fixed after several repair attempts. The company did not seem too worried; I remember thinking that if it was under on the money they would have replaced it immediately.

**Transparency**

The second most common value that emerged from the ethical dilemmas as described by our respondents dealt with transparency (26%). Here, entry-level working students either learned from their customer interactions, coworkers, or were directly informed by their managers to act in a covert manner. Typically, information for customers was disclosed but not in its entirety. Or, the information was manipulated in a manner that was more advantageous for the company/employee rather than the customer.
Transparency Narratives

In a certain restaurant I have worked with, the bill that included gratuity is required to be stamped, to ensure the customer understands that the gratuity is already included. The “loophole” to receiving more than this is quite simple, but for myself considered a very unethical practice. All the server may do to increase their chances of receiving more tip is to not stamp the ticket nor verbally address the situation with the customer. In many cases the gratuity may go unnoticed by the payee and this can lead to what is called “double tipping.”

I work for a large retail company. . . After a credit card is swiped for payment, we are prompted to ask the customer “what three, free magazines would you like?” We show the customers their choices and allow them to pick three. We then fill out mailing information. Then the transaction completes and we give them a pamphlet with information and a phone number to call and cancel the magazines if they choose not to keep them after the three months is over. That is all we are supposed to tell the customers. We are leaving out an important piece of information. If they do not cancel, their credit cards will be automatically charged twice a year for these subscriptions.

At least once a day, a customer will come in with a bill in their hand where they have been charged an outrageous amount. 95% of the time the customer has exceeded the amount of minutes on their rate plan, or did not have text message plan . . . what is unethical about those circumstances, are that a customer has no idea they are incurring these overages on their account until the bill is received.

The menu states it was a filet mignon, but it was really a bacon wrapped, piece of beef. The issue did not seem like a big deal, but in fact, it was to quite a few customers that held knowledge of steaks. To make matters worse, the restaurant offered this steak at a discounted price each Wednesday evening. The restaurant ran ads in the [local newspaper] every Monday and Tuesday to promote the Wednesday night filet special. When customers came in on Wednesday evenings, the servers were told to script the special as “bacon wrapped, black angus tenderloin filet.” When a customer complained, we covered ourselves by repeating that description and assuring the customer that we did not use the phrase “filet mignon.”

Respect Narratives

When I was hired, I was told that there were two positions, brand representative (brand rep) and impact. It was an unsaid understanding that all the “good looking” people were put in the front as brand reps and the “more unfortunate” looking people were put in the impact section which was the back. They were the people who sized, stickered, and organized the clothes in back stock. I got the brand rep position so the idea didn’t seem as harsh to me.

As an employee, I encounter unethical situations almost every time I go to work. The store is an international market but mostly foods from Asia. Japanese foods have the highest price ranges in the store. When we are cashing out Japanese customers we have these special “thank you” bags for them. These bags are thicker and are able to hold more items in the bag. In this situation, it is unethical because we are stereotyping out customers and giving Japanese people a little extra but not for the others. The explanation to this was that Japanese products are priced much higher than any other Asian products.

When we had numerous shoplifting problems, the managers had an employee meeting where we were told to watch African Americans closely when they came into the store. This situation really bothered me because I knew that it was not just African Americans who stole things. The managers were unethically singling out one specific group of people.

The store policy was that we could accept these [preorders] orders as long as they left their credit card number (if they didn’t return we charged the credit card). After working there for about a month or so, I realized that this did not apply to everyone. My manager and some of the other employees “screened” the customers as they walked in and changed the store’s policy according to the race, sex, and appearance of the customer.

Putting on that 18% gratuity on a tab is really the servers’ decision. If you feel like the group you are serving will tip really well sometimes we leave it off because sometimes they would tip better than an 18% and sometimes we get screwed on tips. All this decision is because we stereotype people based on their race, clothes, and age.

Fairness

Thirteen percent (13%) of the respondents described ethical dilemmas that dealt with the value of fairness. It appears that entry-level working students are taught to manipulate their sales tactics in deceptive ways. Here, employees learn how to be deceptive or mislead customers in certain ways.
Implications and Recommendations

Overall, our findings support previous ethics literature and pedagogy by exploring some of the most pressing ethical dilemmas faced by entry-level working students. Similar to entry- and mid-level managers (Dean et al., 2010) who face pressure from others, rule bending, and gray areas, entry-level employees most frequently confront the values of honesty and transparency. A grasp of these dilemmas can help ethics researchers by understanding ethical conduct at the entry level of an organization. Furthermore, it appears that entry-level employees are indeed influenced by the organizational context and significant others when confronted with ethical dilemmas (e.g., Ferrell & Gresham, 1985; Hunt & Vitell, 1986; Trevino, 1986). Working students tend to learn from coworkers or supervisors how to behave or actually conduct unethical behavior on the job.

For educators, our findings provide insight into the real world of working students and can perhaps provide some answers to Research Question 4: How can these dilemmas and values be incorporated into the college student learning experience? Knowing that working students face breaching honesty and transparency most frequently could help educators hone in on these areas. The AMA and many pedagogical materials clearly state what these values mean and outline ways to uphold them, which could be starting points for class discussion or assignments. Understanding that working students already face these ethical dilemmas can move class discussions from abstract to concrete.

Context

Germane to our findings in this study is how the context or situational aspect of the ethical dilemma can influence moral judgments (e.g., Dean et al., 2010). Despite what individuals learn throughout their life from parents, religion, school, or culture that forms their moral character, the context of the situation appears to be the stronger influence in making ethical decisions (e.g., Haidt, 2001). Here, even though entry-level working students recognize and judge a behavior as being unethical, the work context and significant others overrule the outcome. What is unique to our study is that this context is not just the work environment but also the school environment. Thus, learning such behavior at work might translate into unethical behavior at school or—vice versa—getting away with cheating at school could translate into similar behavior at work.

In our findings, it appears that entry-level working students are quickly exposed to unethical dilemmas on the job—especially in the business-to-consumer (B2C) setting. It is no surprise then that lower-level employees have a different perception of an organization’s ethics than others in
the organization (Trevino et al., 2008). Additionally, the direct financial incentives and transactional nature apparent in many B2C situations support suggestions that those disciplines most directly linked to economic targets (e.g., tips, quotas, and sales targets) are highly disposed for ethical misbehavior (Wasielski & Weber, 2009). However, academic research on lower- or entry-level customer contact employees is sparse. More often than not, ethics has been examined at the corporate leadership or management level (cf., Dean et al., 2010). Our study reveals that many ethical dilemmas are being faced in the lower echelons of the organization, and thus we contribute to this underresearched area. Given the amount of customer contact and service orientation of our respondents’ jobs, marketing researchers and teachers in these areas must continue to investigate the nature and consequences of buyer-seller interactions. It appears from our study that performance (i.e., sales quotas, unit profits, financial returns) or economics are still more salient than ethical infractions. These motives must be discussed and could be incorporated into curriculum in courses such as marketing principles, services marketing, retailing, and sales management.

**Significant Others**

In terms of the influence of significant others in ethical decision-making models, our research shows that these “others” are primarily managers and coworkers. As discussed earlier, research in psychology and sociology on differential association (cf., Sutherland & Cressey, 1970) has shown that individuals are influenced in their decisions by people who are close to them whether spatially (i.e., coworkers within the firm) or perceptually (friends and family outside the firm). In our study, spatial proximity appears to be more influential than perceptual proximity. Thus, we confirm role-set theory (cf., Ferrell & Gresham, 1985; Merton, 1957) in that the status of employees in an organization influences ethical decisions. This may also be due to the immediacy of the ethical dilemma, interaction with customers, and the need to make decisions quickly on the job.

Students should be encouraged to bring these experiences back into the classroom environment. Once students have shared these ethical stories in the classroom, educators should push students to explain why these situations are unethical. Helping student untangle these stories and understand their perceptions in terms of why an ethical value has been breached will help students generalize to other work situations. It will give them an understanding of why they felt pressured or uncomfortable and provide them fodder for standing up to the breach, defending their position, and advertising ethical misconduct. By encouraging such behavior, the marketing educator, and even other classmates, can be a part of the students consideration set as a “significant other.” Here, perceptual and spatial proximity of those outside the work environment could come to the aid of students facing risky decisions and behavior common to their jobs while attending school.

**Values and Conduct**

Our findings bring to light some important implications for marketing educators in the classroom and how students acquire knowledge about ethics, values, and appropriate conduct. Clearly, many universities have recognized and incorporated ethics into their curriculum. The content of what is taught in the classroom has been well documented (cf., Loe & Ferrell, 2001). This can range from presentation and discussion of ethical decision-making models to role-playing, scenarios, case studies, and experiential ethics games. In fact, Loe and Ferrell (2001) conclude that experiential and interactive learning is the most effective way to teach ethics. Students who participate in such course content are assumed to be able to make better ethical choices when confronted with dilemmas in the workplace. Thus, they have the tools and may have good intentions as pointed out at the beginning of this article. However, as our study indicates, many students are already in the workforce and are learning from experience that ethics takes a “back seat” in their on-the-job environment.

Consequently, the ethical values espoused by the AMA are a valuable starting point for educators to focus on in their pedagogy. Values such as honesty, transparency, respect, and fairness are formidable in guiding working students on how to perform their job in an ethically responsible manner. Indeed, many marketing educators have incorporated these values into their ethics curriculum by offering stand-alone business ethics courses, incorporating ethics into existing courses, and developing special ethics conferences, grants, and/or certificate programs (cf., e-businessethics.com, http://danielsethics.mgt.unm.edu; Singhapakdi, 2004). However, it appears that motives of entry-level employees and their supervisors may be in direct opposition to such values given the rich descriptions of ethical dilemmas by our respondents. In the entry-level, customer-contact setting, employees appear to be able to recognize ethical dilemmas but may be more concerned with performance, job security, and fitting into the corporate culture than doing the right thing. Managers or immediate supervisors in this context also appear to be more concerned with performance and put their store’s sales first and ethics a distant second.

**Curriculum Relevance**

For educators, this study reveals the importance of building bridges between the educational environment and the workplace. This has been recognized and implemented in the academic community in a variety of ways. Providing avenues
where students can learn from real-world practitioners is one common method. Here, providing internships, inviting guest speakers, and hosting “ethics weeks” with roundtable discussions with business executives are all helpful. One university has implemented a “do good” committee composed of academics from all functional business areas (accounting, finance, marketing, management, etc.) and successful business executives (cf., Fogelman College of Business and Economics, 2012). The mission of this committee is to demonstrate and emphasize that “doing good” in the workforce can result in good business. A few examples of companies that have taken this approach are Toms Shoes and Warby Parker eyeglasses. Both of these successful companies contribute a portion of their sales to underdeveloped countries in need of basic items such as shoes and glasses.

Although these methods are merited and encouraged, it should be recognized by educators that students need tacit knowledge in the immediate sense of the context of their own experience while working and attending school. Getting students to share their own work experiences and dilemmas through classroom assignments or oral presentations can be a valuable addition to ethics pedagogy. Learning more about the types of dilemmas faced in entry-level positions can help educators develop pedagogical tools that are current and relevant to students entering the workforce. The dilemmas described in this study can be a valuable learning tool that may be more personally relevant to students. Open and frank discussion of such issues in the classroom may help students develop ethical skills as they encounter the workforce before they graduate. Perhaps most important, these experiences allow the students to consider educators and students as a valuable “significant other” as well as managers and coworkers. If the university context can be a part of the decision-making process, perhaps students will be better prepared in their current and future jobs.

Conclusion

In conclusion, our qualitative study indicates that working college students are faced with a plethora of ethical dilemmas on the job at the entry level before they graduate. They seek guidance from their managers and coworkers on how to behave and oftentimes it is, unfortunately, not in the best interest of the ethical values espoused by academics. Academic researchers and educators must continue to find ways to connect with students in order to investigate and learn the ramifications of such ethical dilemmas on the job and develop programs to help students already in the workforce make better ethical decisions. Discussing the ethical dilemmas revealed in our study may be a pedagogical way to bridge this gap.

Appendix

American Marketing Association Ethical Values.

Honesty—To be forthright in dealings with customers and stakeholders
- Strive to be truthful in all situations and at all times.
- Offer products of value that do what we claim in our communications.
- Stand behind our products if they fail to deliver their claimed benefits.
- Honor our explicit and implicit commitments and promises.

Transparency—To create a spirit of openness in marketing operations
- Strive to communicate clearly with all constituencies.
- Accept constructive criticism from customers and other stakeholders.
- Explain and take appropriate action regarding significant product or service risks, component substitutions or other foreseeable eventualities that could affect customers or their perception of the purchase decision.
- Disclose list prices and terms of financing as well as available price deals and adjustments.

Fairness—To balance justly the needs of the buyer with the interests of the seller
- Represent products in a clear way in selling, advertising, and other forms of communication; this includes the avoidance of false, misleading, and deceptive promotion.
- Reject manipulations and sales tactics that harm customer trust.
- Refuse to engage in price fixing, predatory pricing, price gouging, or “bait-and-switch” tactics.
- Avoid knowing participation in conflicts of interest.
- Seek to protect the private information of customers, employees, and partners.

Respect—To acknowledge the basic human dignity of all stakeholders
- Value individual differences and avoid stereotyping customers or depicting demographic groups (e.g., gender, race, sexual orientation) in a negative or dehumanizing way.
- Listen to the needs of customers and make all reasonable efforts to monitor and improve their satisfaction on an ongoing basis.
Appendix. (continued)

- Make every effort to understand and respectfully treat buyers, suppliers, intermediaries, and distributors from all cultures.
- Acknowledge the contributions of others, such as consultants, employees, and coworkers, to marketing endeavors.
- Treat everyone, including our competitors, as we would wish to be treated.

Responsibility—To accept the consequences of our marketing decisions and strategies
- Strive to serve the needs of customers.
- Avoid using coercion with all stakeholders.
- Acknowledge the social obligations to stakeholders that come with increased marketing and economic power.
- Recognize our special commitments to vulnerable market segments such as children, seniors, the economically impoverished, market illiterates, and others who may be substantially disadvantaged.
- Consider environmental stewardship in our decision-making.

Citizenship—To fulfill the economic, legal, philanthropic, and societal responsibilities that serve stakeholders
- Strive to protect the ecological environment in the execution of marketing campaigns.
- Give back to the community through volunteerism and charitable donations.
- Contribute to the overall betterment of marketing and its reputation.
- Urge supply chain members to ensure that trade is fair for all participants, including producers in developing countries.

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