Ethical Climates and Ethical Sales Behaviour among Developing Countries Business Owners: Evidence from Nigeria Small Scale Retailers.

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Abstract
This study examined the link between ethical climate and ethical sales behaviour among small scale retailers using a sample of 200 respondents in designated market places within three (3) commercial centres: Akure, Ikare-Akoko, and Ore in Ondo state, Nigeria. The data collected were analysed using both descriptive and inferential statistics. Findings revealed that small scale retailers in Nigeria were aware of ethical and unethical practices in the market places and as well as the existence of ethical climate types that are associated with small scale retailing business. Besides, findings showed that benevolent and principled climate types would promote ethical sales behaviour while egoistic climate types have insignificant relationship with ethical sales behaviour. Therefore, this study concludes that maintaining a positive ethical climate in a business environment may be a significant key to exhibiting and promoting ethical sales behaviour among Nigeria retailers, and this would ultimately enhance their sales performance.

Keywords: Egoistic Climate, Benevolent Climate, Principled Climate, Small Scale Retailers, Nigeria.

1.1 Introduction
Ethics is an important area of study that has contributed to the understanding of factors that influence moral reasoning as well as ethical decision making of individuals and groups in a setting (Khalid, 2012). The term ethics has been applied to every facet of human endeavours. In business, significantly, the knowledge of ethics helps with the understanding of the principles, and standards that guide behaviour in the world of business (Ferrell, 2008). Business ethics provides the framework necessary to improve the managerial skills needed to enhance wholesome behaviour in an organisation.

In the past years, many studies had been conducted to unravel what constituted ethical behaviour and its effects in different organisations (Deshpande, 1998; Fritzche, 2000, Deshpande, 1996; Wang & Hsie, 2002). The chunk of these studies centred on ethical climates. The dimension to ethical climate studies can be viewed in two major ways: determinants of ethical and unethical behaviour, and the influence of ethical climates on organisational outcomes. Both ethical climate studies- determinants of ethical and unethical behaviour (Deshpande, 1998; Fritzche, 2000; Leung, 2008; Smith, Thompson, & Iacoron, C.L, 2009; Rothwell & Baldwin, 2007), influence of ethical climate on organisational outcomes (Ambrose, Arnaud, & Schminke, 2008; Deshpande, 1996; Wang & Hsie, 2002; Stewart, Volpone, Avery, & Mckay, 2011) have been empirically investigated, mostly, in the developed countries. There has been anecdotal of such research in developing and less developing economies, most especially Africa countries.
In Nigeria, research on business ethics is scanty despite the fact that the country is positioned at the lower section of Transparent International (TI) table in terms of corruption rating (Okpara & Wynn, 2007). The work of Okpara and Wynn (2007) as the only notable research on ethical climate was centred on organisational outcomes such as job satisfaction and commitment. Okpara and Wynn’s work investigated the effect of ethical climate only on organisational outcomes but effect such ethical climates have on people has not been examined. Hence, this study’s main objective will be to empirically investigate sets of retailers to unravel whether a link exists between ethical climates and ethical sales behaviour. This research work hopes to find out whether prior findings on ethical climate studies in the Western economies can be generalised to Africa economies most especially Nigeria. Moreover, this research study will be the first work on ethical climates on the sales behaviour of small scale retailers and, thus, bridging the gap existing among literatures in Nigeria.

1.2 Literature Review
1.2.1 Conceptual Definition
The concept of ethics has many nuances. According to Ferrell, Fraedrich and Ferrell, (2008), ethics refers to an inquiry into the nature and grounds of morality where the term morality is taken to mean moral judgement, standards, and rules of conducts. The Oxford Advanced Learner’s Dictionary offers these definitions of ethics “moral principles that control and influence a person’s behaviour; a system of moral principles or rule of behaviour; the branch of philosophy that deals with moral principles”. Stoner, Freeman, and Gilbert, (2002) define ethics as the study of people’s right and duties, the moral rules that people apply in making decisions, and the nature of relationship among people. Mullins (2005) posits that ethics is concerned with the study of morality: practices and activities that are considered to be importantly right or wrong, together with the rules that govern those activities and values to which those activities relate. Cooper and Schinder (2011) view ethics as norms or standard of behaviour that guide moral choices about our behaviour and our relationship with others.

These definitions describe ethics as a concept with many nuances. The central focus of these definitions puts ethics as a set of rules, standards, principles, and code of conducts considered morally right or wrong governing person’s thinking and behaviour. These definitions also entail moral principles that influence person’s ethical decisions and prevent people or group of people against unethical behaviour. Ethics is seen as an applied study. The concept has been applied in every aspect of human endeavours-business, medical, research, marketing, etc. Ethics, irrespective of its nature and its applicability, is majorly concerned with actions and decisions that are considered morally right or wrong, ethical or unethical in every organisation.

Ethical and Organisational climates
An organisational climate, according to Simha and Cullen (2011), is defined as the shared perceptions of procedures, policies and practices both formal and informal of the organization. Also, Moore and Moore (2014) offer an explanation of organizational climate as “the shared perception of the way things are done in the organization”. In organization many work climates exist as framework. These include innovation climates, creativity climates, communication climates, warmth and support climate, diversity climates, justice climates, involvement climates, safety climates, community service climates etc (Simha & Gullen,2011; Moore & Moore 2014).

All these climates are known to influence behaviour and shape the thinking of people in workplace (Simha & Cullen 2011). Simha and Cullen (2011) define ethical climate as the perception of what constitutes right behaviour and thus become a psychological mechanism through which ethical issues are managed. Moore and Moore (2014) explain the ethical climate of an organization as the behaviours that are perceived to be ethically correct and how issues regarding deviation away from those expected behaviours are handled in the organization. These definitions are the product of idea of ethical climate conceived by Victor and Cullen (1987; 1988). Ethical climate according to Victor and Cullen (1987; 1988) refers to as an organization shared perception of what is ethically correct behaviour and how
ethically issues should be handled. Ethical climate influence both decision making and behavioural responses to ethical dilemmas which go on to reflected in various work outcomes.

The concept of ethical climate that was developed by Victor and Cullen (1997; 1998) has two major dimensions. The first dimension is the ethical criteria used in making decisions. The ethical criteria contain three elements- egoism, benevolence and principle. Egoism as a criterion of ethical climates relates to making a decision that maximises self-interest. Benevolence relates to making a decision that seeks mutual or joint interest, and principle refers to making a decision by complying with deontological (duty and obligation) standard (Talha et al. 2013). The second dimension of ethical climate is locus of analysis meaning to the reference group, which are individuals used in making ethical decision. This dimension has three elements- individual, local, and cosmopolitan. Individual refers to the employees’ personal norms or the pursuit of self-interest as a reference in ethical decision making. Local indicates primary reference in ethical decision making. Local indicates primary reference groups that are within the organization, for instance officemates, subordinates or team members. Cosmopolitan as the elements in this category means reference groups that are external to the organization such as professional bodies, enforcement agencies and state law and regulations. The cross-classification and intersection or these two dimensions result in nine ethical climate types (see table 1) : self – interest, company profit, efficiency, friendship, team interest, social responsibilities, personal morality, company rules and procedures and laws and professional codes.

Table 1: Theoretical Strata of Ethical Climate (Victor & Cullen, 1987, 1988)

<table>
<thead>
<tr>
<th>Ethical Theory</th>
<th>Locus of Analysis</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Egoism</td>
</tr>
<tr>
<td></td>
<td>Self – Interest</td>
</tr>
<tr>
<td>Benevolence</td>
<td>Friendship</td>
</tr>
<tr>
<td>Principle</td>
<td>Personal Morality</td>
</tr>
</tbody>
</table>

Source: (Simha & Cullen, 2011).

These nine ethical climate types are said to be theoretically present but five of them are said to be empirically occurred most often (Tsai & Huang 2009): instrumental, caring, independence, law and code, and rules (see table 2), in the organisations. These empirically occurring ethical climate types originate from the nine theoretical climate types and straddle multiple loci of analysis (Simha & Cullen, 2014).


<table>
<thead>
<tr>
<th>Ethical Analysis</th>
<th>Locus of Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egoism</td>
<td>Instrumental</td>
</tr>
<tr>
<td>Benevolence</td>
<td>Caring</td>
</tr>
<tr>
<td>Principle</td>
<td>Independence</td>
</tr>
</tbody>
</table>

Source: (Simha & Cullen, 2011).

Small Scale Enterprises (SMEs)
There has been no consensus as to the meaning of small scale business across board. The small scale business varies from one country to another and from one industry to another even within the same country. This point of no consensus gave rise to controversy as to where to draw the line between big and small scale businesses.

As pointed by Onugu (2005), small scale business is a business that is owned, managed, and controlled by two or more persons, is firmly influenced in decision making, has an undifferentiated organisational
structure, has a relatively small share of the market and employs less than fifty people. The small business act 1956 (USA), according to Broom and Longneeke (1986), provides that a small business concern is one which is independently owned and operated and dominant in its field of operation. In Nigeria, the Nigeria Bank for Commerce and Industry (NBCI) defines small business as one with total capital not exceeding ₦750, 000, excluding cost of land but including capital. As reported in Faloye (2015) the National Policy on Micro, Small and Medium Scale Enterprises (MSMEs) has recently addressed the issue of definition as to what constitutes micro, small and medium enterprises. The definition adopts a classification based on dual criteria, employment and assets (excluding land and buildings) as shown below.

- Micro Scale Enterprises are those enterprises whose total assets (excluding land and buildings) are less than Five Million Naira ($30,303) with a workforce not exceeding ten employees.
- Small Scale Enterprises are those enterprises whose total assets (excluding land and building) are above Five Million Naira ($30,303) but not exceeding Fifty Million Naira ($303,030) with a total workforce of above ten, but not exceeding forty-nine employees.
- Medium Scale Enterprises are those enterprises with total assets (excluding land and building) above Fifty Million Naira ($303,030), but not exceeding Five Hundred Million Naira ($3,030,303) with a total workforce of between 50 and 199 employees. The SME definition given by the National Policy on (MSMEs) is adopted for the study.

1.2.2 Empirical Literature Review and Hypothesis Development

Ethical climate dimensions have been empirically researched to comprehend the behaviour of people in workplace and even organisation itself. Asides, many studies have been conducted to examine the impact of ethical climates on various organisational outcomes such as job satisfaction, commitment, performance, turnover intentions, etc. in the context of differing organisations, employees, industries and countries. In most of these studies, organisational outcomes such as job satisfaction, commitment, and performance have been found to be negative related with the egoistic construct of ethical climates (Deshpande, 1996b; Elci & Alpkan, 2009; Goldman & Tabak, 2010; Joseph & Deshpande, 1997; Koh & Boo, 2001; Martin & Cullen, 2006; Tsai & Huang, 2008; Wang & Hsieh, 2012; Woodbine, 2006, Ambrose, Arnaud, & Schminke, 2008; Cullen, Parboteeah, & Victor, 2003; DeConinck, 2010; Jaramillo, Martin & Cullen, 2006). In another studies of the effect of ethical climate, organizational outcome such as turnover intentions and dysfunctional behaviour showed a positive association with egoistic construct of ethical climates (Ambrose et al, 2008; DeConinck, 2011; Lopez, Babin, & Chung, 2009; Mulki, Jaramillo, & Locander, 2008; Sims & Keon, 1997; Stewart et al, 2011, Bamett & Vaicys, 2000; Bulutlar & Oz, 2009; Elm & Nichols, 1993). On the studies of the impact of ethical climates on the behaviour among employees of differing organizations in different countries, egoistic climates have been found to be negatively related to ethical behaviour (Deshpande, 1996b; Deshpande & Joseph, 2009; Fu & Deshpande, 2012; Fritzscbe, 2000; Leung, 2008; Rothwell & Baldwin, 2007; Saini & Martin, 2009). However, the impact of ethical climate has not been adequately investigated in most of the countries in Africa. In Nigeria, for instance, studies on ethical behaviour in the context of ethical climate are very scanty. The work of Okpara and Wynn (2007) on the impact of ethical climates on job satisfaction and commitment was the only recent study in the country. Okpara and Wynn work investigated the effect of ethical climate only on organizational outcomes but the effect such ethical climates have on the people towards achieving ethical sales behaviour has not been examined. This now informs the development of the first hypothesis of this study in the context of egoistic climate:

H1: There is a significant relationship between egoistic climate and ethical sales behaviour among small scale retailers.

The second dimension of ethical climates known as ‘benevolence climate’ has also been investigated by various researchers in different field of endeavour. Benevolence climate has been found to be positively related to some organisational outcomes-commitment, job satisfaction-, and ethical behaviour among differing people, employees, firms and organisations (Deshpande, 1996b; Elci & Alpkan, 2009; Goldman & Tabak, 2010; Joseph & Deshpande, 1997; Koh & Boo, 2001; Martin &
Cullen, 2006; Tsai & Huang, 2008; Wang & Hsieh, 2012; Woodbine, 2006, Ambrose, Arnaud, & Schminke, 2008), this climate has also been investigated to be largely associated negatively with dysfunctional behaviour and organizational outcome such as turnover intention (Ambrose et al, 2008; DeConinck, 2011; Stewart et al, 2011, Bamett & Vaicys, 2000; Bulutlar & Oz, 2009; Elm & Nichols, 1993; Martin & Cullen, 2006; Ozer & Yilmaz, 2011; Peterson, 2002; Vardi, 2001; Watley, 2002; Wimbush et al., 1997). In this study, since there was evident of empirical relationship between benevolence climate and various organizational outcomes and ethical behaviour, there is a need to investigate whether such relationship endears ethical sales behaviour among small scale retailers. To find this relationship, the second hypothesis of this study is stated thus:

H2: Benevolence climate is significantly related to ethical sales behaviour among small scale retailers.

Ethical climate has another dimension called ‘principle’ climate, according to Victor & Cullen (1987, 1988). There have been various studies that have shown that principle climate is significantly related ethical behaviour and some organizational outcomes such as job commitment, job satisfaction, job performance etc. (Thompson, &. Iacovou, 2009; Wimbush & Shepard, 1994). The principled climate, in some research works, has also shown negative relationship with organizational outcomes such as turnover intention and dysfunctional behaviour (Ambrose et al, 2008; Mulki, Jaramillo, & Locander, 2008; Sims &. Keon, 1997; Stewart et al, 2011). Since this climate promotes ethical behaviour among differing people, employees, organisations, and also positive association with some organisational outcomes, it is, therefore, significant to investigate whether this climate-benevolence- could predict ethical sales behaviour among small scale retailers in Nigeria. This informs the third hypothesis of this study which states:

H3: Principled climate is significantly related to ethical sales behaviour among small scale retailers in Nigeria.

1.2.3 Conceptual Framework

The research framework of this study will revolve round the concept of ethical climate theory. Ethical climate theory, developed by Victor and Cullen (1987, 1988), has major three dimensions. These dimensions are referred to as ethical climate criteria-egoism; benevolence; and principle. These ethical climate dimensions can be employed to investigate the behaviour that can be considered as ethically right and wrong. These criteria can also be employed by managers at various levels to address ethical issues and dilemmas in their respective organisations. But for the purpose of this study, the dimensions of ethical climate theory will be adapted to investigate the behaviour that would be considered ethically sane to attract ethical sales behaviour among retailers especially at grassroots level in Nigeria. Considering the activities of local retailers and their importance to the economy, especially in Nigeria, it is significant to examine the behaviour that can contribute to effective sales that will ensure the sustainability of the retailing business.
1.3 Study Methodology

Nigeria is a multi-ethnic country where people of different backgrounds cohabit in cities, towns and villages for their normal daily lives. One important characteristic of these people is the retailing prowess to make both ends meet. Retailing business has been a major profession of many individuals in Nigeria. This profession has mitigated the unemployment crisis and reduction of vices across the county. Asides contributing to national wealth, the activities of these retailers have also become a veritable source of revenue to Local Government Authorities in Nigeria through imposed charges such as taxes, dues, rates, etc. There are thousands of small retailing shops and even inestimable retailers without a roof across cities, towns and villages in the country. Therefore, this research work is a survey study of small scale retailers in Nigeria. The study population comprised business owners who are into retailing activities within the three (3) geo-political zones within Ondo State, Nigeria. The commercial centres of each zone-Akure, Ikare-Akoko, and Ore- were chosen because they house the chunk of small scale retailers and different individuals from different ethnic background who are involved in retailing businesses within the state. Using a convenience sampling technique, a sample of 217 traders (retailers) was drawn. The ‘drop and pick’ method of administering questionnaire was also employed. The researcher was also directly involved in the administration and collection of the questionnaires especially where it demanded better explanation of items of the questionnaire for more understanding on the part of the respondents. This procedure presented no problem and enabled the researcher to protect the identity of the respondents. Of the 217 questionnaires distributed, 200 (92%) usable questionnaires were retrieved.

The data extracted from the questionnaires were analysed using Statistical Package for Social Sciences (SPSS). The instrument used for this research consists of 30-item Ethical Climate Questionnaire to measure the relationship between ethical climate types and ethical sales behaviour among small scale retailers. The measure identifies the dimensions of ethical climate criteria developed by Victor and Cullen (1987, 1988). These criteria-egoism, benevolence, and principled-, according to Victor and Cullen (1987, 1988), are associated with the most empirically occurring five (5) ethical climate types(instrumental, caring, independence, rules, law and code) in any organisation. Each of these criteria is measured using a five points Likert scale, ranging from 5=strongly agree to 1= strongly disagree. The rate (5-1) represents the degree and weight attached to responses to the items of the questionnaire. Reliability analysis indicated that the measures had some acceptable internal consistency, and the Cronbach’s alphas for the egoistic, benevolent, and principled climates were 0.73, 0.76, and 0.62 respectively.
1.4 Discussion of Findings

A profile of the respondents and their characteristics is given in Table 3. There were two major
demographic variables considered in this study—gender and age. The female respondents represented
113 (56.5 percent) of the total sample size, while the male respondents constituted 87 (43.5 percent)
of the sample size. It then shows that more females are into retailing business than their male counterparts
especially in a designated market area. The age profile of the respondents showed that 78 (39 percent)
of the total respondents is between the age group of 20 and 30 years old, 53 (26.5 percent) between the
age group of 31 and 40 years old, 33 (16.5 percent) between age group of 41 and 50 years old, 27 (13.5
percent) between the age group of 51 and 60 years old, and 9 (4.5 percent) between the age group of 60
years and above.

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>87</td>
<td>43.5</td>
</tr>
<tr>
<td>Female</td>
<td>113</td>
<td>56.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age Group</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 – 30 years</td>
<td>79</td>
<td>39</td>
</tr>
<tr>
<td>31 – 40 years</td>
<td>53</td>
<td>26.5</td>
</tr>
<tr>
<td>41 – 50 years</td>
<td>33</td>
<td>16.5</td>
</tr>
<tr>
<td>51 – 60 years</td>
<td>27</td>
<td>13.5</td>
</tr>
<tr>
<td>61 years and above</td>
<td>9</td>
<td>4.5</td>
</tr>
</tbody>
</table>

Source: Field Report, 2016

The results of the hypotheses test 1-3 are presented in Table 4. A simple regression run was
performed on each of the predicting variables and the dependent variable. The model summary for first
hypothesis (H1) reveals the correlation coefficient (0.134) which shows the direction and strength of
correlation between the predictor—egoism and dependent variable—ethical sales behaviour. In this case,
there is no strong positive correlation between the two variables. The R² of the model summary table
explains 1.8% of the total variability in the dependent variable—ethical sales behaviour by the
dependent variable—egoistic climate. In other words the value of R² = 0.18 shows that egoistic climate
is not a good predictor of ethical sale behaviour. The model summary also shows that the analysis of
variance of the fitted regression equation is not significant with F value of 3.612. This is an indication
that the model is not a good one in predicting the dependent variable (ethical sales behaviour). Since
the p-value is more than 0.05 (P > 0.05, P = 0.059), it shows a statistically insignificant relationship
between the variables at 95 percent confidence level. Therefore, the hypothesis of strong significant
association is rejected.

The Model Summary table for the second hypothesis (H2) reveals the correlation coefficient
(0.812) which shows the direction and strength of correlation that exists between the variables. In this
case, there is a strong positive correlation between the two variables. The model also shows that the
analysis of variance of the fitted regression equation is significant with F value of 383.981. This is an
indication that the model is a good one. Since the p-value is less than 0.05 (P < 0.05), it shows a
statistically significant relationship between the variables at 95 percent confidence level. Therefore, the
hypothesis of a strong significant association is supported. The R² statistic in Model Summary Table
indicates that the model as fitted explains 66 percent of the total variability in ethical sales behaviour.
In other words, 66 percent of the total variability in ethical sales behaviour—about its mean—can be
independently explained by benevolent climate. The value of R² = 0.660 shows that benevolent climate
is a good predictor of ethical sales behaviour. The probability value in last column of the Coefficients
table reveals that the regression coefficient is statistically significant at 0.05 significant level.
The Model Summary table for the third hypothesis (H3) reveals the correlation coefficient (0.697) which shows the direction and strength of correlation that exists between the variables. In this case, there is a strong positive correlation between the two variables. The model shows that the analysis of variance of the fitted regression equation is significant with F value of 187.436. This is an indication that the model is a good one. Since the p-value is less than 0.05, it shows a statistically significant relationship between the variables at 95 percent confidence level. Therefore, the hypothesis of statistically significant association is supported. The R² statistic in Model Summary Table indicates that the model as fitted explains 48.6 percent of the total variability in ethical sales behaviour. In other words, 48.6 percent of the total variability in ethical sales behaviour (about its mean) can be independently explained by principled ethical climate. The value of R² = 0.486 shows that principled ethical climate is a good predictor of ethical sales behaviour. The probability value in last column of the Coefficients table reveals that the regression coefficient is statistically significant at 0.05 significant level.

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Predictor Variable</th>
<th>Beta</th>
<th>R²</th>
<th>F-value</th>
<th>Sig.</th>
<th>Decision Rule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Sales</td>
<td>Egoistic Climate</td>
<td>0.134</td>
<td>0.018</td>
<td>3.162</td>
<td>0.050</td>
<td>Rejected</td>
</tr>
<tr>
<td>Behaviour</td>
<td>Benevolent Climate</td>
<td>0.812</td>
<td>0.600</td>
<td>383.981</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Ethical Sales</td>
<td>Principled Climate</td>
<td>0.697</td>
<td>0.486</td>
<td>187.436</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Behaviour</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Report, 2016

Overall, the findings of the study are consistent with the expectation and also in line with the previous findings in ethics studies (Okpara & Wynn, 2008; Winbush et al., 1997; Deshpande, 1996 a, b). The results of this study provide support for the notion that ethical climate criteria- egoism, benevolence, and principle- can influence behaviour that could result to making ethically or unethically decisions. The first hypothesis was not supported by insignificant correlation between the variables involved. The predicting variable-egoistic climate only explained 1.8 percent of the total variation in the dependent variable-ethical sales behaviour. This means that ethical climate types that are associated with egoism construct are not a good predictor of ethical sales behaviour. Therefore, the result of the first hypothesis (H1) is not consistent with expectation but in line with previous ethical studies that supported egoism as an ethical climate that is negatively related to ethical behaviour.

The second hypothesis (H2) was supported by significant correlation between the predictor and the dependent variable. Benevolent climate independently explained 66 percent of the total variation in ethical sales behaviour. This means that benevolent climate is a good predictor of ethical sales behaviour. It then means that small scale retailers should consider the interests of consumers as paramount as this would promote sales behaviour and thus improve sales performance.

There was a significant correlation between the variables involved in the third hypothesis (H3), because 49 percent of the total variation in the dependent variable-ethical sales behaviour is independently explained by the predicting variable-principled climate. Therefore, the hypothesis of significant relationship between the predictor and dependent variable is supported. This means that principled climate is good predictor of ethical sales behaviour. It then means that if small scale retailers are governed and guided by certain code of conducts, rules, and laws, they are likely to exhibit ethical sales behaviour.

1.5 Conclusions

Thus, based on the findings of this study, one may conclude that small scale retailers in Nigeria are fully aware of ethical and unethical practices in their business environment. Also the findings of this study revealed the existence of the ethical climate types in Nigeria business environment. One significant conclusion that can be drawn from these results is that maintaining a positive ethical
climate in a business environment may be a key to exhibiting and promoting ethical sales behaviour thereby enhancing sales performance.

Based on the conclusions of this study, one important implication is that small scale retailers may be able to improve and enhance sales performance by identifying and eliminating actions and reactions that encourage unethical behaviour, while at the same time actively promoting good ethical behaviour such as caring for customers and co-retailers, price openness, safeguarding the environment, developing rules and guidelines for personal and business conducts. Another implication is that retailers that exhibit ethical sales behaviour may influence co-retailers, sales representatives, and other employed agents to behave ethically which may lead to ethical relationship.

To accomplish sound ethical sales behaviour in a market place, small scale retailers must ensure that customers are well cared for and treated as a major determinant of financial performance. It is recommended that activities of small scale retailers should be regulated by Governments at different levels through established rules, laws, and guidelines. These regulations will prevent and mitigate unethical practices among small scale retailers. It is also recommended that more research on the issues of ethical climate be extended to behaviour that relates to credit sales, price, and quantity on the part of retailers in the business environment. It is also recommended that more research on ethical climate and buyer’s behaviour be conducted in developing countries, because it cannot be taken for granted that the same pattern of behaviour and attitudes that exist in developing nations also exist in developed countries.

REFERENCES


