

MASTER'S THESIS

Corporate entrepreneurship and ethical decision-making behavior of marketing managers

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**Corporate Entrepreneurship and Ethical Decision-Making Behavior of
Marketing Managers**

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ABSTRACT

In current business environments, marketing managers should not be only effective corporate entrepreneurs, but also ethical decision-makers.

However, there are two diverse viewpoints on the compatibility of the two roles. On the one hand, the general public widely holds a skeptical view on the ethical behavior of corporate entrepreneurs (Dees and Starr 1992). It seems that marketing managers tend to make unethical decisions when they are encouraged to perform the corporate entrepreneurial roles. On the other hand, Pinchot (1985) indicates and maintains that honesty and integrity are characteristics of successful corporate entrepreneurs. Corporate entrepreneurial roles should, therefore, motivate marketing managers to make ethical decisions.

These two viewpoints are contradictory. In real life, what is the actual relationship between corporate entrepreneurial roles and ethical decision-making behavior of marketing managers? Against this background, this thesis first reviews models of corporate entrepreneurship and ethical decision-making models respectively, and then suggests a research framework for advancing the CE/Ethical decision interface. The interface shows that corporate entrepreneurship and ethical decisions are intrinsically compatible, and other things being equal, marketing managers are more likely to make ethical decisions when they assume corporate entrepreneurial roles. Besides, this thesis also proposes that codes of conduct can enhance the positive relationship between corporate entrepreneurial roles and ethical decision-making behavior of marketing managers. A mail survey of marketing managers was carried out in Hong Kong to test the above propositions, and the findings support the positive relationship between corporate entrepreneurship and ethical decision-making behavior in certain kinds of ethical situations. However, the findings do not support the positive effects of codes of conduct on ethical behavior of marketing managers. Based on these empirical findings, various theoretical and managerial implications are drawn.

Theoretically speaking, this thesis provides theoretical foundation for investigating the relationship between corporate entrepreneurship and ethical decision-making behavior. It also complements other corporate entrepreneurship studies by being the first study that examines the effects of corporate entrepreneurship on ethical performance. Managerially speaking, this thesis shows that organizations need not trade off corporate entrepreneurship against ethical performance, or vice versa. On the contrary, organizations should equip marketing managers with both entrepreneurial skills and moral skill, and help marketing managers to achieve both kinds of objectives as far as possible. Nevertheless, future research may build on this foundation to further expand our knowledge into the relationship between corporate entrepreneurship and ethical behavior.

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