

You are the VP of Marketing for the e-commerce wing of an up-and-coming retailer. Your company has been very successful, despite cutthroat competition throughout your industry. One day you have lunch with your colleague and friend, the VP of Information Technology, and she tells you in confidence that she has been offered a position with a competitor, and that she has accepted the job. She plans to tell the President in two weeks, and you suspect—given other defections in the past year or two—that the President will escort her from the building in order to protect sensitive information.

**Ethics Issue:**

When your friend leaves to work for a competitor, it will be a major blow to your company. In an industry that depends on proprietary technology, your company's technological advantage may now be available to your key competitor. This will not only make your job much harder, but it will put your profit from stock options in jeopardy. It may even threaten the company's long-term survival.

**#1 Should you compromise your friend's confidence and let the President know that she is leaving in two weeks to work for the competition?**

It would not be ethical to betray my coworker's confidence in this matter; however, I would have a responsibility to explain to my colleague that they are behaving in a less than reputable manner. They have an obligation to the company to inform the President immediately of their intentions. This would not only give the company two weeks to prepare for the loss, but also provide the President the opportunity to present a counter-offer.

**#2 How much loyalty do you owe the company? Why?**

My degree of loyalty to the company depends on the company's loyalty to my coworkers and myself. If the company has behaved in an ethical manner to its employees, showing concern for employee well-being, employing merit-based reward systems, and providing fair severance packages to employees who are laid off through no fault of their own. If, however, the company's relations to its employees demonstrate a callousness, an impression that the company merely views employees as an inanimate resource, then, practically speaking, my only loyalty should be to myself.

A company experiencing numerous defections over the past two years needs to review its employee relations. How do their benefits packages stand up to their competitors? Are the salaries comparable? Something is amiss with a company losing their VP of IT to the competition.

**#3 What are the possible courses of action that you could follow? What would be the ramifications of each decision? What is the most ethical choice? Why?**

Betraying my colleague's confidence sends bad signals to the rest of my coworkers, especially those under my supervision. My employees need to feel secure that they are able to approach me with any issue and that it will be kept in the strictest confidence; otherwise, they will be reluctant to seek my guidance with their own ethically-sensitive issues.

The risk associated with not taking what I know to my supervisor is that the President might find out that I was aware of the situation. The revelation that I withheld this important knowledge could cause irreparable damage to my reputation with the President and my future with the company.

#### **#4 How will you decide what to do?**

This matter seems like walking a moral tight rope. My initial course of action, advising my coworker of their moral responsibility, still seems the best choice. If my company treats its employees fairly, then this argument will carry weight with my coworker. If not, then my company is reaping what it sows, and I would be wise to maintain contact with my soon-to-be former coworker as a networking opportunity should the situation at my company continues to decline.

Another issue to consider are my contractual obligations and those of my colleague. If we are not employed in a "Right to Work" state, then there may be a whole host of legal repercussions to this situation I may have not considered.

#### **Response to Candice Coleman:**

After posting my response and reading yours, I can see we have two very different perceptions of our employers. Your devotion to your company makes me feel as though I'm being almost cynical towards my own. My experiences working in most contracting environments is that management will smile and assure you what a great future you have with the company up to the point where they hand you a pink slip. I was even on one contract with the management consulting firm Booze, Allen & Hamilton, where a supervisor fired everyone on my team, and made me team leader because I was the least expensive employee. She got a promotion for her efficiency.

That being said, I have encountered some wonderful places to work. Places where management bent over backwards to ensure employees were happy. These companies were just as successful as the cut-throat ones. I think loyalty to the good guys in the corporate world is a virtuous thing.

#### **Response to Zelphia Brown**

As for the tit-for-tat strategy of ethical behavior toward my Company, it may not be as ethical as a purely-altruistic approach to the Corporation, but it is a practical strategy. Enron employees are the current example of people whose loyalty was betrayed. Their allegiance to their corporation cost them their jobs and retirement savings. I could even make the argument that persevering loyalty to a company that shows no loyalty to its employee's is an unethical behavior. We have a responsibility to our own self interests and when we naively allow a company to walk all over us, we betray ourselves.

I had not considered the option of dropping an anonymous note to the President, but at the same time, I don't like the idea of a management-level employee doing anything

anonymously. I will stick to my original strategy of challenging my coworker's ethics and demand they take the appropriate course of action. They owe it to the President and to their own department to be forthright about their intentions. Being in a management position myself, I believe the most ethical and forthright course of action is to try and persuade my peer with morale arguments outlining the consequences of their actions on all involved, including and especially myself.