

## **Scenarios in Sales Management: Ethical Issues for Class Discussion**

For each scenario you encounter, make an argument for and against. Come to a consensus with your group about what is the right thing to do. Explain your choices by giving examples. Be prepared to share your group's thoughts with the class. Please be sensitive in your discussions and focus on what you would do if presented with such a scenario in real life.

### **EXAMPLE: Ethical Issues for Class Discussion**

#### **1. Terminate an employee with cancer?**

You're a manager at a nonprofit. Your supervisee has been a planned-giving fundraiser there for five years. Four years ago, his performance was poor because he was undergoing chemotherapy. Since then, it's improved to average but, in the past few months has declined severely again—He's raised only half as much money as before. He explains that his cancer has recurred and has spread to his lymph nodes, so he's in the middle of a six-month round of chemotherapy and his prognosis is not good. He says he prefers to keep working but if you terminate him, he won't file a claim under the Americans with Disabilities Act. He is his family's sole source of income and his non-profit salary is modest and so he has little in savings. He's just getting by. Do you retain him?

An argument for retaining him: Most organizations but especially nonprofits espouse putting people above profits. To let him go when he's been an acceptable performer and now has to endure treatment for recurred cancer would be hypocritical, especially since you know he is his family's sole support and he's saved little because he's worked for nonprofits. From a pragmatic standpoint,

letting him go would hurt the organization's morale. Besides, with his cancer having recurred and in his lymph nodes, it's unlikely he'd want or be able to stay employed for very long. Retaining him would be an appropriate "cost of doing business."

An argument against retaining him: Less money raised means less services to the many needy people the nonprofit services. He's only one person. Yes he's an employee but the wise person makes decisions mainly based on what will do the most good, not giving extra consideration to the person in front of you. You can mitigate the toll to staff morale by telling the employees the ethical basis for letting him go and giving them ample opportunity to process it. To help him financially, you might give a generous severance package. That would still save much money compared with keeping him on.

So what would you do? And would your decision be different if it were a small company? A large company? The government?

## **Scenarios in Sales Management: Ethical Issues for Class Discussion**

Scenario I. As sales manager, you have noticed changes in salesman Mike lately. Mike used to be your “bright-eyed and bushy-tailed inside salesman,” but now he seems tired all the time. You even caught him asleep at his desk twice in the last week. You ask Mike if he is okay, and he says wearily, “I’m adjusting to my wife leaving, but Jeremy is only twelve and was very close to his mother.” Monday the circles under Mike’s eyes are even darker, and he is drinking lots of coffee. You ask about Jeremy. Mike says Jeremy’s teachers called on Saturday, and they all said he had failed tests in subjects in which he had been getting an A or a B. You ask if Jeremy has anyone else he is close to, and Mike says, “Not since my mother died six months ago.” Meanwhile, Mike has not brought in any new accounts, and five of his major accounts have called you complaining that he is not returning phone calls. You are now sorry that you ever held the division “Bring your spouse or significant other” cocktail party and even sorrier that you casually introduced your thrice-divorced brother to Mike’s wife. You never dreamt that they would run off together. You will never have another such party, but right now you are concerned about what to do about Mike.

## **Scenarios in Sales Management: Ethical Issues for Class Discussion**

Scenario II. You are very lucky to have two outstanding salespeople desiring the two straight commission sales positions in your new company. Both of them have impressive past sales records, want a new challenge, and have the confidence to desire straight commission pay. Their personal lives are quite different. Susan is from a wealthy family and married a very successful man. Susan volunteers that she is childless by choice and says she wants to show herself and the world that she can make it professionally, not just live off her father and husband's money. David is also married. He and his homemaker wife have six children, and the last four are adopted special-needs children. David was handling the medical expenses, saving for the children's education, and remodeling an older but larger home for his family when his wife was in an automobile accident that left her permanently bedridden and in need of round-the-clock care. They have no family to help care for the children, so they also need household help. You would like to give David a higher commission rate because of his circumstances. Would you do it?

## **Scenarios in Sales Management: Ethical Issues for Class Discussion**

Scenario III. A prospect calls the office and is looking for a property in the \$300,000 price range. This is much higher than most of the company's prospects can pay. This excellent prospect quickly states that she is only willing to work with a salesperson of her own race and religion. Foreign language is not an issue. The office uses a planned rotation of "floor time," which is the time when prospects are given to assigned salespeople. Granting the request would seriously upset the office plan and personnel. What would you do?

## **Scenarios in Sales Management: Ethical Issues for Class Discussion**

Scenario IV. You have never had a sales trainee like Joe. When you arrive early in the morning, he is already there working. He is thoughtful, courteous, and a real self-starter. The only problem is that Joe smells. Since you work with the trainees individually, no one else is affected but you feel ill from Joe's body odor. Much as you would like to say something to him, Joe has told you, "I have been criticized all my life—first by my father who deserted me, then by my aunt who got stuck with me, and then by teachers when they were not ignoring me." Joe promises to work hard and never give you reason to criticize him because he cannot take it anymore and any criticism will drive him "over the brink." You fear that Joe will truly go "over the brink" if you say anything to him.

## **Scenarios in Sales Management: Ethical Issues for Class Discussion**

Scenario V. You have been taking phone applications for counter positions in your doughnut shop. One applicant, Cindy, is very well spoken and polite. You tell Cindy to come in after lunch when you will be in the shop. At 1:30 p.m., a car pulls up and a gigantic young woman gets out. She comes in and introduces herself as Cindy. She is so nice, so qualified, but so fat. Cindy volunteers that she will have her seamstress make her uniforms because she knows they do not come in sizes to fit a 260-pound, five-foot-three-inch woman. She tells you that she has no medical problem—she is just fat. Meanwhile, you have vowed never to eat another doughnut and to drink your coffee black and sugarless. You do not want to not hire such a nice person solely because of her weight. There are no space problems with hiring Cindy, as your work area is large. You wonder if this fear of lost business is personal or if Cindy's size will really affect business. How do you find out? What do you tell nice, but morbidly obese, Cindy if you decide not to hire her?

## **Scenarios in Sales Management: Ethical Issues for Class Discussion**

Scenario VI. Your newspaper has published a report on a national study, which concluded that bottled water has virtually no health advantages over the tap water in more cities, including yours. The study included comments from local health store owners and water distributors challenging the study. The AquaPure Bottled Water Company, advertising account worth over \$75,000. a year, has threatened to pull its account with your newspaper unless you run another story of equal prominence, focusing on the benefits of bottled water. What do you do?



Name \_\_\_\_\_ Period \_\_\_\_\_

**Scenarios in Sales Management: Ethical Issues for Class Discussion**

**(1)**

**(2)**

**(3)**

(4)

(5)

(6)

For each scenario: Be sensitive in your discussions and focus on the right thing to do.

- a) Summarize / explain the details of the scenario in your own words.
- b) Discuss / examine the ethical implications - what are the options? How could you react in that situation?
- c) Explain what you would do and why. How would you handle it? Explain and support your actions.

Be prepared to share your group's ideas.