

AN ETHICAL DILEMMA*

Jayla just landed an internship with Acme Incorporated in the Payroll Department. She was excited because these internships usually turned into a full-time job after graduation. Jayla was hired by Deon, the head of the Payroll Department. He told her about their policies and stressed the need for maintaining strict confidentiality regarding employee salaries and pay scales. “Several years ago we had an intern who violated the confidentiality policy and was given a negative internship summary,” explained Deon.

“I understand, sir,” Jayla responded.

Jayla was determined to learn as much as she could about the job. She made sure she was always on time, followed all of the policies and procedures, and got along well with her coworkers. She started to feel like she fit in at Acme and dreamed of the day when she worked there permanently. However, one day while studying the books, Jayla began to notice abnormalities in one salesperson’s salary. Greg, one of the senior sales representatives, made three times as much as the next highest earning salesperson in the company. Jayla assumed he must be a spectacular salesperson and worked efficiently. She often overheard Mia, the General Manager, and Deon praise Greg for his sales numbers. She also noticed the three of them would often go to lunch together.

One morning, Deon handed a stack of client folders to Jayla. He explained, “These are the clients for the salespeople for the week. They will come to you when they need more work, and they are only to take the files on top of the pile. You are in charge of making sure the salespeople don’t pick and choose the files. This is how we keep things fair among the sales force.”

“I will make sure the files are distributed fairly,” Jayla promised. She was excited to be trusted with this responsibility, and she made sure she did her best. Mary, one of the salespeople, came by to get files for the week. They made small talk as Mary looked into her files. She looked disappointed.

“You didn’t get any good clients?” Jayla asked.

“Nope, not a one,” replied Mary, “which is just my luck!” She threw down the files in exasperation. Jayla was concerned and asked, “What’s the matter?”

“I’m sorry,” she replied, “It’s just that my sales have been slipping, and my pay checks are much smaller than they used to be. If my pay decreases much further, I may lose my health benefits. My daughter is asthmatic, and she has been in and out of the hospital over the last few months.” Jayla looked at Mary sympathetically and tried her best to console her.

The next week, before the salespeople started coming into the office to pick from the pile, Jayla had some documents for Deon to sign. When she arrived at his office, the door was slightly open. She peeked in and saw Deon and Greg going through the stack of clients. Jayla watched as Greg rifled through the pile and picked out files.

“Thanks, Deon. These are the top clients for the week,” Greg said.

“No problem, Greg,” Deon responded “Anything for my favorite brother-in-law. Just keep up the good work.”

Jayla stood there, mouth open. She turned to walk back toward her desk. She could not believe what she just saw. The boss was giving Greg all the good clients, while the rest of the salespeople had no choice in which they were assigned. Jayla knew this favoritism was a serious conflict of interest. Then she thought of Mary and her situation.

“What am I supposed to do?” Jayla wondered. “If I say something to Deon, he will give me a bad evaluation. If I say anything to Mia, I may get fired. And I definitely can’t say anything to the other salespeople. There would be a riot.” Saddened, she sat at her desk and wondered what to do.

QUESTIONS | EXERCISES

1. Discuss how this conflict of interest situation affects other salespeople, the organizational culture, and other stakeholders.
2. Describe the decision that Jayla must make. What are the potential ramifications of her choices?
3. Are there legal ramifications to this kind of behavior? If so, what are the potential consequences?

*This case is strictly hypothetical; any resemblance to real persons, companies, or situations is coincidental.