

THE AUSTRALIAN GRADUATE SCHOOL OF MANAGEMENT

BUSINESS ETHICS

Finding the Good?

You are manager of corporate relations for Bouncy Baby products. The CEO of BB has requested from you an appraisal of sponsorship schemes to take to the board. BB currently sponsors several small community programs, but puts hundreds of thousands of dollars into the Family Fun Run and the Brighter Babies Early Reading Program. Its third major sponsorship, the Sudden Infant Death Research and Education Centre (SIDREC), has received sponsorship worth over \$2 million during the past five years. This is necessarily a lower-profile activity than the Fun Run or the Reading Program, and it does not involve as large a number of participants and does not provide an immediate target market for BB products. The value to BB of sponsorship of SIDREC was indirect — old fashioned community values, caring for those in loss, a good charity profile.

Now BB has decided to change its name — it will now be just BB — and to renovate its image. The question is whether its current sponsorship profile fits the new image. BB is moving more to the high end of the baby-goods market, promoting products like strollers, car capsules, and clothing, which align with the designer values of its target consumers. The questions put to you are whether sudden infant death research will fit the new image of BB, and whether continued sponsorship will return value to the company. You are aware that the marketing manager has been asked to prepare a briefing paper with similar questions.

What questions will you be asking about BB's sponsorship of SIDREC? What criteria will you apply in writing your briefing paper?

A Public-Spirited Manager

Ross Healey, a construction manager with Brewster Engineering in the South West of the state, has an exemplary record in bringing regional projects in on time, on budget, and without disruption. He is a model of efficiency and effectiveness. One Friday, when machinery and plant were being returned to the Brewster depot, Ross directed three of his crew to take the machines to the local school to clear a bit of scrub and level the driveway. This only took about 30 minutes, and then the machinery — which otherwise would have been idle — was returned to the compound.

The three staff members were not concerned by Ross's instruction. All of them had children at the school and the work was quickly done. They saw nothing wrong with the incident. Nor was it a secret. People who knew about it did not see it as anything out of the ordinary.

Three months later at a social function, the General Manager of Brewster learnt of Ross's generosity from the principal of the school, who praised Brewster for its sense of community responsibility.

Should the General Manager find some way of rewarding Ross or should he just let the matter lie?

Would your answer change if the construction company was a public sector entity, such as the NSW Roads and Traffic Authority?