## Pegasus international inc.

Finance, Market



From what I understand from Peagsus's ethical values as a corporation, the business venture into China should not be engaged. Engaging this business venture would create potential for \$100 million increase in annual profit because there is a huge demand in the Chinese market for wireless technology, and Pegasus has all the resources to meet this demand.

Although this would be an excellent business decision, Tom Oswald the current CEO has already built a culture of integrity into the company, and that culture should not be compromised.

In the first stages of when a corporation is formed, decisions are made about their business model and corporate responsibility. I think that in order for a company to be successful, it is very important for that company decide on a set of core ethical values and stick to those values no matter what circumstance arises. Currently Pegasus International has been building a corporate culture characterized by honesty, high integrity, teamwork, and respect for the individual, and making bribes would violate these core values that has made Pegasus a successful corporation so far.

Tom Oswald is potentially worried about losing his job as the CEO if he doesn't accept this obvious business decision, but I think it is very important for the CEO as the leader of the company to set the tone at the top. If he decides to use bribes in doing his business, then everyone below him will assume that illegal actions are accepted in Pegasus. This could only lead to additional illegal actions taken by the employees, which eventually will make Pegasus violate the core ethical values that it has already established in its current business practices.

Tom Oswald will also violate all of his personal values of honesty and integrity, if he engages in this business practice. It is important for Tom to recognize that people usually pay attention to the non-verbal actions more than the verbal actions. If he does engage in bribery, his credibility would be lost because he is contradicting everything that he has been preaching.

I think it is important for Pegasus to stick to their core values, and not be influenced by greed. They already have built a successful business model based on high integrity and honesty, and their shareholders value Pegasus for those exact values. Engaging in this business decision will tamper with the value that Pegasus has already created for their shareholders, which eventually will lead to loss of business in the future.