

Essay on leadership and ethical decision-making

[Psychology](#), [Success](#)



What should Joe do in this situation?

Given that Joe had been apprised by Bill Bateman, the chief executive officer (CEO) of the Peninsula Hotel chain, that he was in fact been confided by Joe's competitor, Samantha from Threads4U, that they plan to beat their price by 10% just win back the business with Bill Bateman, Joe has the following alternative courses of action:

- Do nothing (status quo), which means that Joe Smith could retain their original bidding price and not meet the 10% reduction, as offered by Threads4U.

Pros: The advantage of this option is that Joe would not be reprimanded again for offering an even lower bid than the current bid price that they have contracted with Bill Bateman.

Cons: The disadvantage of this is that they could lose the contract to Threads4U; which could significantly affect their financial position.

- Joe could meet the offer of Threads4U by decreasing the bidding price by 10%.

Pros: Joe could still retain their contract with Bill Bateman, on the basis of a lower contract price and with the established business relationship with Peninsula Hotel.

Cons: Joe could again be reprimanded for offering an even lower price and could endanger his position as an agent of UWEAR.

- Consult the situation with Tom Tramlin, the CEO of UWEAR, and allow him to evaluate the situation and follow his recommendation.

Pros: The decision would be consistent with the objectives and goals of UWEAR.

Cons: He would have to buy time to allow him to consult with Tom and relay the decision to Bill, after consultation.

What ethical theory supports how you think Joe should react to this situation?

One strongly believes that the third alternative is most viable as it is consistent with the ethical theory of deontology or duty-based ethics. This ethical theory presupposes that “ it judges morality by examining the nature of actions and the will of agents rather than goals achieved (Roughly, a deontological theory looks at inputs rather than outcomes.)” (Kay, 1997, par. 3). The third alternative takes into consideration the organization’s interests above personal or professional goals. It seeks to consult with the owner of UWEAR to lay out the facts and allow him to evaluate the consequences of their action. If they really want to retain Peninsula Hotel, then, they could indeed resort to reducing the contract price. However, this option should be evaluated in terms of further consequences to the bottom-line. It could be that the outcome would undermine the potentials and resources of UWEAR, that it would be more feasible to look for other clients than suffer the consequences of a significantly reduced net profit.

Why would you use this theory?

This theory is most applicable as it pertains to doing one’s duty, where it was emphasized that “ in an ethics of duty, the ends can never justify the means” (Kay, 1997, par. 7).

What might others with a different view than yours say in this situation?

Others with a different view other than mine could say that the focus should be on the outcome; where the objective was to retain and renew the contract with Peninsula Hotel, at whatever cost.

How would you refute those opposing perspectives?

One could refute those oppose one's view by stating that if the same line of thinking persists, eventually, Bill Bateman might always use the pretense of competitors' offer (whether factual or not) to be able to get the best from the contract – even at the detriment of UWEAR, in the long run.

Is there a compromise or creative solution to this problem? If so, what is it? Why is it feasible?

A compromise or creative solution to this problem could be being frank and honest with Bill Bateman that UWEAR could not reduce their bidding price anymore, despite Threads4U's offer. However, Joe could affirm that if Bill Bateman still opts to renew the contract with them, he would make sure that he would promote the Peninsula Hotel to all their clients and encourage them to conduct business meetings, and other personal or professional endeavors with the Peninsula Hotel. In so doing, this would tantamount to more business for Bill Bateman and would mean greater financial returns. This is also feasible because it would be a win-win solution, where Joe would be able to renew the contract at Peninsula Hotel without compromising costs or contract price; and in exchange, Bill Bateman would get more clients from referrals with Joe.

Reference

Kay, C. (1997). Notes on DEONTOLOGY. Retrieved from wofford. edu:

<http://webs.wofford.edu/kaycd/ethics/deon.htm>