

Discussion paper strategic management opinion



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Strategic Management Opinion For each approach, mark your feeling about its appropriateness using the following scale definitely not appropriate, 2. probably not appropriate, 3. undecided, 4. probably appropriate, and 5. definitely appropriate.

The business firm should try to get useful information about competitors by:

 5 Careful study of trade journals

Study of trade journals is definitely appropriate because it can be a tool for an organization to be always updated in the current trade practices. As a business organization, information is power and trade journals publish valuable information for its readers. Unlike most of the other news media which businesses might monitor, trade journals are a concentrated and obvious source of information on developments in a particular industry. Since a single weekly or monthly title may for many managers be the main means of scanning the external environment, it is fortunate that many publications also trawl more diverse sources for material relevant to readers. The Grocer and Construction News are typical and comparatively large circulation weeklies, which the trade uses both to assess itself and to inform itself of environmental changes it may need to act upon (Lowe, 1999, p. 232).

 1 Wiretapping the telephones of competitors

Wiretapping is definitely not appropriate because this is unethical.

Wiretapping competitors is one type of economic espionage. This is the " clandestine collection of trade secrets or proprietary information about a company's competitors. This practice is illegal and unethical and carries serious criminal penalties for the offending individual or business" (Kerin, 2003).

2 Posing as a potential customer to competitors

Posing as potential customers is probably not appropriate because this is one type of deception. Morally, it is wrong to deceive competitors just to obtain information. Ultimately, ethical choices are based on the personal moral philosophy of the decision maker. If your employees know you have practiced this, they might get the wrong impression and they might follow suit and deceive your own organization.

2 Getting loyal customers to put out a phone " request for proposal" soliciting competitors' bids.

This practice is probably not appropriate because your loyal customers will get a bad impression of the unethical practices in your company. You might lose them in the process.

4 Buying competitors' products and taking them apart

As emphasized above, information is power. This might be appropriate if the aim is to know what are the advantages and disadvantages of your competitors' products. This practice will be beneficial because you will know on what to improve with regards to make your products at par with the competitors'.

4 Hiring management consultants who have worked for competitors

There is nothing wrong with hiring management consultants that have worked for competitors if it is done in good faith. Although you must be careful of any existing working contracts that these consultants have with their previous employers, there seems to be no known hitches when you decide to hire them.

5 Rewarding competitors' employees for useful " tips"

This is another form of unethical business practice more commonly known as

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bribery. Bribery promotes a negative image against your company. In fact, bribery on a worldwide scale is monitored by Transparency International.

4 Questioning competitors' customers and/or suppliers

This could be a safe way to obtain useful information about your competitors. As long as it was done without coercion or threats, it is the prerogative of the customers and the suppliers to provide you the answers to your questions about your competitors.

1 Buying and analyzing competitors' garbage

This is another type of economic espionage. If you do this without their permission, you might get a lawsuit for this.

1 Advertising and interviewing for nonexistent jobs

This is another type of deception and this unethical practice might reflect back on your subordinates, as they might do the same to you.

4 Taking public tours of competitors' facilities

Since it is a public tour, it can be a safe way to obtain the knowledge about the manufacturing and other trade practices of the competitors.

2 Releasing false information about the company in order to confuse competitors.

This is inappropriate because it is another form of deception. If your competitors will know you are doing this, media organizations might criticize you and it will taint the reputation of your company.

4 Questioning competitors' technical people at trade shows and conferences

These are open forums and everyone should be given an opportunity to be informed at trade shows and conferences. It is just up to their people if they choose to answer your questions or not.

1 Hiring key people away from competitors

If these key people are currently employed, you will definitely be involved in the lawsuit that can be filed by the previous employers. When you lure them away with a larger salary, this can be bribery. Both ways it is an unethical business practice

4 Analyzing competitors' labor union contracts

If done in good faith and with appropriate permissions, there is nothing wrong with studying these contracts.

3 Having employees date persons who work for competitors

If done without coercion, it is the employees' prerogative of who they want to date with. Your employees might not be pleased if you meddle with their social lives outside work.

4 Studying aerial photographs of competitors' facilities

When done with permission, this practice might be appropriate. Also, if the aerial photographs are publicly available, there is definitely nothing unethical about this practice.

Works Cited

Kerin, Roger A. Chapter 4: Ethics and Social Responsibility in Marketing, Marketing, 7th ed. NY: The McGraw-Hill Companies, 2003.

Lowe, Michael. Business Information at Work. London: Aslib/IMI, 1999.