

## Falsification of Data Teaching Notes

### *What Are the Relevant Facts?*

1. The company for which Greg works is successful, respected, and well-established within its business.
  2. Greg is a new marketing research analyst.
  3. Greg has completed about 20 projects, for which Ms. Jordon and Mr. Collins have praised his work.
  4. Data have been falsified by one of the co-owners of the research firm.
  5. Greg is being asked to be directly involved with making marketing strategy recommendations based on marketing research data that he knows has been falsified by a top person in the company.
3. Schedule a meeting with Mr. Collins.
  4. Schedule a meeting with Ms. Jordon.
  5. Quietly send a letter of explanation to the client company.
  6. Greg can quit his job.
  7. Ask Elizabeth if this happens often, and discuss with her what happens if he chooses not to write a new report with the revised data.

### *What Are the Ethical Issues?*

1. Knowing that data have been falsified, what is Greg's responsibility to himself, to the company he works for, to his company's clients, and to the marketing research profession?
2. Is the changing of these numbers wrong in the sense that anyone is harmed by the change?
3. Does such disregard for marketing research have a negative impact on related marketing strategy? Short term? Long term?
4. Would Greg's responsibility differ depending on the type of project he is working on? For example, how would his responsibility differ if the changed/falsified data resulted in marketing strategy recommendations that simply meant a different name for a product, or meant a go-no go decision to invest in a new product, or meant less information would be provided for buyers of a dangerous product?

### *Who Are the Primary Stakeholders?*

- Greg, the new marketing research analyst
- Ms. Jordon and Mr. Collins, the co-owners
- The client company
- The client company's target market/customers
- The client company's stockholders

### *What Are the Possible Alternatives?*

1. Greg can be quiet and do as told.
2. Greg can discuss the situation with other research analysts who have probably had similar experiences.

### *What Are the Ethics of the Alternatives?*

- Ask questions based on a "utilitarian" perspective (costs and benefits). For example:
  - Which alternative provides the greatest benefit to the greatest number of people/entities?
  - How should costs be measured in this vignette? How much value should be placed on the truth being known by (1) the other employees in XYZ marketing company, (2) the other co-owner, Ms Jordon, (3) the client company?
  - Do the benefits of being ethical in this one instance outweigh the financial cost to the marketing research company of upsetting a client who can then go to a competitor research firm?
  - Do the cost benefit factors change, depending if the project and report pertain to a simple matter such as a name change for a product versus a major product development investment decision for the client company versus marketing a product in a way that may cause injury to consumers?
- Ask questions based on a "rights" perspective. For example:
  1. What does each stakeholder have the right to expect?
  2. What does the research firm's client company have the right to expect?
  3. What rights does the co-owner, Mr. Collins, have in running the company?
- Ask questions based on a "justice" perspective (benefits and burdens). For example:

1. Which stakeholders carry the greatest burden if Greg does nothing?
2. Does Greg benefit more or less by speaking up?
3. Is there a difference, in regard to long-term versus short-term benefits/burdens, if Greg takes action?
4. Is it fair to deceive clients even if it is in their own best interests?

*What Are the Practical Constraints?*

1. This is Greg's first job after graduating from college. Would he be labeled a troublemaker or a "goody two-shoes" if he speaks up?
2. Greg is only one of the 16 analysts and, given his newness with the company, does not know how

the others feel about the co-owners actions, even though it is likely they have had similar experiences.

3. The company is successful and respected, so the "researcher's license" taken by the co-owner may in fact be a valid judgment call that has apparently produced good recommendation reports in the past.

*What Actions Should Be Taken?*

1. What actions should Greg take?
2. What alternative would you choose if you were in his position? Why would you make that choice?
3. Which ethical theories (utilitarian, rights, justice) make the most sense to you as they relate to this situation?