Public Relations Society of America
Board of Ethics and Professional Standards
Code of Ethics Case Study Series

Public Relations Ethics Case Study #2
Competition

A counseling firm principal tells the reporter of a local daily newspaper that one of the firm's competitors is recommending a client that both firms were courting to engage in some underhanded tactics to gain government approval of a plan to begin a new mining operation. Specific tactics included paying off elected officials. That "tip" results in a front-page feature accusing the company of planning to "buy" mine approval by paying off local government officials.

1. <u>Define the specific ethical issue and/or conflict.</u>

Is it ethical for a disgruntled competitor to tell the media what the winning firm has proposed to prospective client to win the account?

Is it appropriate to share this information with a reporter?

Or should your report it to the proper authorities?

2. <u>Identify internal/external factors that may influence the decision.</u>

Would the new mine benefit or harm the public?

Are the proposed tactics legal?

Are the proposed tactics truly part of the firm's program?

Is there any reason to suspect local elected officials?

Does the competitor know whether the information about the proposed tactics is accurate?

Does the competitor know whether the company has indicated whether it will follow or reject the recommendations?

How did the competitor discover this information? Was it through the use of improper tactics?

3. <u>Identify key values.</u>

Fairness -- As ethical practitioners, we are to deal fairly with competitors.
Honesty -- We adhere to the highest standards of accuracy and truth.
Advocacy -- We serve the public interest.

4. Identify the parties who will be affected by the decision and define the public relations professional's obligation to each.

Competitor and employees, elected officials, media, general public, losing firm and its employees.

5. Select ethical principles to guide the decision making process.

Promoting healthy and fair competition among professionals. This principle seeks to promote respect and fair competition among ethical practitioners of public relations with no actions that would deliberately undermine a competitor.

Protecting and advancing the free flow of accurate and truthful information is essential to serving the public interest and contributing to informed decision making in a democratic society. The intent of this provision is to maintain the integrity of relationships with the media, government officials and the public. One of the key guidelines in this regard is honesty and accuracy in all communications.

6. Make a decision and justify.

Ethical practitioners in this situation -- assuming the information shared with the reporter is incorrect or without basis -- should simply accept the prospect's decision to use another firm. Furthermore, if the information is not accurate the competitor firm faces clear legal exposure for making false accusations.

However, if the ethical practitioner knew the winning firm's tactical plan included payoffs, there could be a responsibility on the individual's part to make that known to the proper authorities in the interest of the public good.

The ethical obligation must be based upon legally obtained facts. If the account was won or lost simply upon the basis of plan content and personality of the presenting team--as is so often the case--the actions of the losing firm principal are wrong, probably illegal and certainly not in keeping with the code.

If, however, the winning plan was based upon unethical tactics that may be implemented, the losing firm is ethically obliged to make that known in the interest of the public good – but only to the proper authorities and not necessarily a media reporter.