

Public Relations Society of America

Board of Ethics and Professional Standards

Code of Ethics Case Study Series

Public Relations Ethics Case Study #4 Safeguarding Confidences

The Worldwide Widget Co. (WWC) has a non-disclosure policy that's set in stone. Smythe & Smythe Public Relations has just won the WWC account and all the account personnel working on the account have signed WWC's non-disclosure policy form. The forms are on file in WWC's Law Dept.

Three weeks after work for the new client has started, the account team is given a briefing about a new product that will revolutionize the widget market. The new widget model is half the price of conventional widgets and does the work in half the time. In addition, secret tests show that it lasts twice as long. The account team is cautioned not to say a word about this to anyone – not even other S&S PR employees or family members.

After a month of work on a dynamite new public relations program that could preempt the market, S&S PR staffers are invited to a fund raising party for the Newtown Symphony Orchestra. The top echelon of influential Newtown citizens are at the function, where food and wine flow like – food and wine! An S&S PR junior staffer assigned to the WWC account lets the wine flow **too** freely and, before anyone can do anything about it, he discloses all he knows about the new widget to an editor with the *Newtown News*. You are president of S&S and hear him blab the final piece of information to the editor. You pull the staffer aside.

What are your next courses of action? With the staffer? With the editor? With your client?

1. The ethical issue and/or conflict.

Do I inform my client about what has occurred? Should I try to get the editor to hold up releasing information about what he was just told? What are my responsibilities to my employee?

2. Internal/external factors that may influence the decision.

- Enforcement of the non-disclosure policy by WWC
- Policy of the *Newtown News* regarding curtailing information until later
- Responsibility to an intemperate employee

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3. Identify key values.

Honesty – We adhere to the highest standards of accuracy and truth in advancing the interests of those we represent and in communicating with the public.

Independence – We are accountable for our actions.

Loyalty – We are faithful to those we represent, while honoring our obligation to serve the public interest.

Fairness – We deal fairly with clients, employees, employers, competitors, peers, vendors, the media and the general public.

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

- WWC management and employees
- *Newtown News* and other media
- S&S employees

5. Select ethical principles to guide the decision.

The core principle of the “Safeguarding Confidences” section of the *PRSA Code of Ethics Code Provisions* is: “Client trust requires appropriate protection of confidential and private information.” The intent of this provision is: “To protect the privacy rights of clients, organizations and individuals by safeguarding confidential information.” A guideline under this provision stipulates that a member shall: “Immediately advise an appropriate authority if a member discovers that confidential information is being divulged by an employee of a client company or organization.”

6. Make a decision and justify.

The client's interests are paramount in this case. The client should be immediately informed of the information leak by the S&S president. The circumstances should be explained regarding the tipsy staffer and the presence of the newspaper editor. The agency president and the client should determine the next step, which might include making an early announcement of the product launch to nail down the market possibilities. A more sensitive course of action would be to ask the editor to curtail the information until a later date in the best interest of WWC, its employees and the citizens of Newtown. If your relationship is good, this might work, in return for giving the editor a jump on the story. Since a non-disclosure statement was signed by the junior staff member and the agency had pledged not to disclose information, there are possibly legalities involved that could make the agency responsible for any loss of future market share, at the worst. Loss of the account is also highly likely.

Unfortunately, the budding staffer would have to be discharged so that other staff members would realize that they must keep information on a confidential basis.