

Scenario

You work for Best, Inc. a boutique fitness company that offers an upscale gym and personal training experience for fitness fans who aim to achieve their personal training goals.³

Following recent scandals at larger, well-known companies Best has decided to take a closer look at its own business practices, particularly in terms of marketing ethics.

An ethics consultant advised that problems ensue when a company's culture is misaligned with its stated values. The consultant said the ideal way to prevent misalignment from happening is to create a code of conduct – an ethics code – that truly captures the culture of the company. The consultant recommended the code be drafted by an employee from the functional area where most challenges occur, rather than a lawyer, to make the code more authentic and true to company values.

When Best launched five year ago, the conduct code in the employee handbook was less than ten words in length, “Do your best and be the best.”

In truth, the conduct code was often confused with the Best mission statement, “To be the best there is.” Leadership now recognizes that something more substantive is needed in terms of conduct guidance for the team, particularly in sales and marketing.

You have been chosen to create the draft of the first ethical code of conduct for Best. This is quite an honor!

The past few years have been very successful for Best. The company now has several locations, all company owned, and is preparing for a major east coast expansion. However, there also have been some worrying incidents at Best which will be discussed later. These developments have the partners worried enough to want to set things right.

To get started your boss has recommended several sources for you to use for guidance. They appear in the section below marked “Additional Resources.”

Assignment

You will write an ethical code of conduct for Best.

To begin this assignment, read *Developing a Code of Conduct* (Lighthouse, 2013) from the Additional Resources section of this document.

Your task is to complete **Step 2 Creating the Draft** of the process described in *Developing a Code of Conduct* (Lighthouse, 2013), with the sections noted below. You will be provided with the information needed for Step 1, Gathering Information.

Your code of conduct document must include the following items/sections (Adapted from Lighthouse, 2013).

- 1) **Engaging title** – good examples are PWC's *The Way We Do Business*, the World Bank Group's *Living Our Values*, and Under Armour's *Protect This House*.
- 2) **CEO letter** detailing the purpose of the code and its importance. The name of the new CEO of Best is Dwayne Douglas. He begins work next month and has asked that you draft something appropriate for his review.
- 3) **Table of contents**
- 4) **Mission statement** for Best and/or statement of key values
- 5) **Scope of code** – to whom, when and how does this code apply?
- 6) **Code provisions** - these are the substantive ethical (and possibly legal) issues that impact the organization. A minimum of six is expected.
- 7) **Examples** of appropriate behavior as it relates to each code provision
- 8) **Framework providing employees with guidance** for making decisions and taking appropriate actions when faced with an ethical dilemma
- 9) **References to disciplinary actions**/other ramifications for code violations
- 10) **List of resources** for seeking assistance with grievances such as the ethics and compliance officer, anonymous reporting hotline and ethics and compliance website.

This is information you need for **Step 1: Gathering Information**.

This is the company's mission statement: To be the best there is.

Vision Statement (Key Values)

- We will do our best at all times
- We will offer only the best advice and equipment to our customers
- We are the best in our field so we know what it take to be the best

Here's what you need to know about the culture of the Best company.⁴

⁴ Do not copy this into your document. This information is background for your research.

Best was founded by three former college athletes. Although the company has grown to several locations and has incorporated, the founders still own most of the stock and still think of themselves as “partners,” which is what everyone calls them. The partners are still deeply involved with the business and typically recruit former college athletes to work there. The company is a marketing led company with a hard-driving culture. Marketing, PR, and sales work together in one group reporting to one VP. Now that the company has grown larger, a new CEO has been hired from the outside. The CEO begins next month.

Several focus groups and interviews have been held with various stakeholders at Best.

First, the partners were interviewed. The partner interview revealed that earlier this year Best was confronted by several customers whose credit cards were charged for lifetime memberships they never authorized. The employee who booked those contracts has been fired. No other phantom contracts have emerged, so the incident seems to be isolated to the one employee at the single location. Although the number of customers involved was small, this was a serious incident. A couple of the customers reported Best to consumer groups and to the state attorney general’s office. Those customers also took to social media to express their displeasure. It has been difficult to minimize the impact of the reputational damage.

The partners also have some concerns about the use of the Best Inc. identity. Some partners noticed that several associates have created their own business cards and have used the Best, Inc. logo in questionable ways on the cards and on social media promoting their own side hustles. These uses do not make it clear that Best, Inc. is not involved in these ventures.

Employees describe the Best environment as “intense.” Employees report that fear of failure is the single biggest concern they have. Sales staff do not feel it is okay to miss a monthly sales quota at Best. They are getting creative in when they have to do to meet what they describe as aggressive quotas. For example, a sales associate reports that last month, when asked, she told a new customer that the new machines would integrate with 5G wireless. She has no idea whether that statement was true and worries the customer will find out the machines do not work with the customer’s fancy new mobile device and cancel. A cancellation could damage a new relationship, but she did not think twice about doing that to make her quota.

All the associates agree that in terms of B-to-B group sales, lavish gifts and entertainment are expected to close the deal. An associate is attempting to partner with her college alma mater to bring in a potentially lucrative deal for the student athletes to use one of the Best facilities while their gym is being renovated. She is thinking that Best should make a generous donation to the college’s alumni fund.

Finally, several employees grumbled that it is an open secret that the head of marketing and the head of sales have begun a romantic relationship. While everyone is personally happy for them, no one seems to think this will end well for the company. Some employees feel it is “just gossip” to mention this. Others believe it should be an ethics issue. The partners don’t seem to know what to do about it.

These are the issues that came up most often in the consultant’s focus groups and interviews with partners, employees and on an anonymous survey. You have been asked to use this information as a basis for your work.

Format

This is a professionally formatted document, rather than an academic document. Do not include an abstract, introduction, or conclusion.

Follow this format:

- Cover Page
- CEO Letter
- Table of Contents
- Body of Document (includes Mission Statement, Scope of Code, Code Provisions, Examples, Guidance Framework, References to Disciplinary Actions, and Resource List)
- References (must be in APA format)

For a formatting example, see the format of *Developing a Code of Conduct* (Lighthouse, 2013).

You may, and should, consult other company’s codes of conduct for content ideas for each section. However, provisions that you adapt from other codes of conduct must be paraphrased into your own words. Do not use any direct quotation in your code, other than the mission statement which requires no source citation.

A reference list in APA format is required for the sources you reference. See the Writing Resources section for how to format the reference list in APA.

It is reasonable to expect that your code of conduct will be about 10 double spaced pages long (not counting cover, TOC, and reference page). You may choose 1.5 spacing for more professional presentation. You may include images for more professional presentation. However, any images used must have source citation.

Additional Resources

- Lighthouse. (2013, July 11). White Paper: Developing a Code of Conduct: A step-by-step guide. Retrieved from [https://www.lighthouse-services.com/documents/Developing%20a%20Code%20of%20Conduct%20\[A%20Step-by-Step%20Guide\].pdf](https://www.lighthouse-services.com/documents/Developing%20a%20Code%20of%20Conduct%20[A%20Step-by-Step%20Guide].pdf)
- Code of conduct: AMA statement of ethics. (n.d.). Retrieved from <https://www.ama.org/codes-of-conduct/>
- Under Armour. (n.d.). Code of conduct. Retrieved from <http://www.uabiz.com/static-files/fdd4d03e-a31e-49a4-9500-88c4a0abcb80>
- An ethical decision model. Section 2.3. (2012). In *Legal Aspects of Marketing and Sales* (V. 1.0). Retrieved from https://saylordotorg.github.io/text_legal-aspects-of-marketing-and-sales/s05-03-an-ethical-decision-model.html
- Rosman, K. (2019). The boutique fitness boom. Retrieved from <https://search-proquest-com.ezproxy.umgc.edu/docview/2241534511/B35ABD891821444APQ/1?accountid=14580>

Writing Resources

The APA document format video (<6 min) shows how to set-up a document in Word to comply with APA format.

- APA Document Formatting <https://libguides.umgc.edu/apa-document-formatting>

The APA reference list video (<10 min) is about formatting the reference list. It also looks at several different types of references - all from online sources - and how to cite those in APA format.

- APA References List Formatting <https://libguides.umgc.edu/apa-references-list-formatting>

Additional resources for APA formatting can be found in *Course Resources > Writing Resources*.

Writing tutoring is available, free of charge, for support in developing your written communication skills. See *Course Resources > Writing Tutor Registration* for details on how to register and begin using this service.

Rubric

	Qualities & Criteria	Excellent 90-100%	Good – Very Good 80-89%	Improvement Needed 70-79%	Unsatisfactory Below 70%
Fo C	Content – Possible points: 80				
	Engaging title	Highly engaging & appropriate title.	Appropriate title.	Unclear or unengaging title.	Inappropriate title or title missing.
	CEO letter	Highly appropriate CEO Letter.	Appropriate CEO Letter.	Unclear CEO Letter.	CEO Letter Missing.
	Prologue	Complete mission statement creatively presented.	Complete mission statement.	Items missing from mission statement.	Mission statement missing.
	Organization mission	Scope of code is highly appropriate.	Scope of code is appropriate.	Scope of code may be unclear.	Scope of code missing or incomplete.
	Scope of code				
		20 - 18	17 - 16	15 - 14	Under 14
	Points				
	Ethical Code provisions	Highly appropriate listing of code provisions including robust ethical considerations. Exceeds minimum number.	A minimum of six appropriate code provisions is included.	Listing of code provisions may lack clarity. Minimum number of provisions not met.	Code provisions missing or listing of code provisions missing important ethical considerations.
	Examples of appropriate behaviors	Includes highly appropriate examples of relevant behaviors.	Listing of code provisions may need more information and/or support	Examples of relevant behaviors may lack clarity.	Examples of relevant behaviors missing.
	Framework providing employees with guidance	Framework for providing ethical guidance is exceptional.	Includes appropriate examples of relevant behaviors.	Applications of ethical model may lack clarity	Framework for providing ethical guidance may be missing.
	References to disciplinary actions	Highly appropriate references of disciplinary actions in code.	Framework for providing ethical guidance may need more information and/or support.	Framework for providing ethical guidance may lack clarity or be missing steps in the analysis.	References to disciplinary actions missing or incomplete.
	List of resources	Excellent list of ethics resources in code.	References to disciplinary actions may need more information and/or support.	References to disciplinary actions may lack clarity.	Resources ethics list missing or inaccurate.
	Application of Analytical Thinking	Strong evidence of analytical skill	List of ethics resources may need more information/or support.	Lower level evidence of analytic skill	Appears to have assembled with little application of analysis.
	Application of Critical Thinking	Strong evidence of critical thinking	Some evidence of analytical skill Some evidence of critical thinking	Lower level evidence of critical thinking	Less evidence of critical thinking in ethical code.
		60 - 54	53 - 48	47 - 42	Under 42
	Points				
	Total Content	80 – 72	71 – 64	63 – 56	Below 56
	Content Points				
	Communication – Possible points : 20				

Form, Format & Writing	Exceptional professional presentation. Cover page and table of contents are appropriate to scope & contents. Overall, graduate level writing is reflected throughout, including accurate spelling, punctuation, grammar, and sentence structure. All sources are identified and cited properly in the text and the reference list (APA format)	Professionally presented. Cover page and table of contents may need more information. Overall, writing meets graduate standards. Fewer than 5 errors in spelling, punctuation, grammar, and/or sentence structure. Few errors in the proper use of citations (APA format)	Presentation needs improvement. Cover page and table of contents lack clarity. Overall, writing in case study does not meet graduate standards. Overall, unacceptable number of errors in spelling, punctuation, grammar, sentence structure. Citations and/or reference list are not properly used (APA format)	Not professionally presented. Cover page and table of contents missing or does not accurately describe scope & contents. Overall, writing does not meet graduate standards. Unacceptable number of errors in spelling, punctuation, grammar, sentence structure. Citations and/or reference list missing. No attempt to apply APA format.
	20 - 18	17 - 16	15 - 14	Below 14
Communication Points				
Content Points + Communication Points = TOTAL Grade				

END