****

9B18C038

ethical Dilemma

Ross Tom wrote this case under the supervision of Mary M. Crossan solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

*This publication may not be transmitted, photocopied, digitized, or otherwise reproduced in any form or by any means without the permission of the copyright holder. Reproduction of this material is not covered under authorization by any reproduction rights organization. To order copies or request permission to reproduce materials, contact Ivey Publishing, Ivey Business School, Western University, London, Ontario, Canada, N6G 0N1; (t) 519.661.3208; (e)* [*cases@ivey.ca*](mailto:cases@ivey.ca)*;* [*www.iveycases.com*](http://www.iveycases.com)*.*

Copyright © 2018, Ivey Business School Foundation Version: 2018-09-28

Upon his acceptance into the master of business administration (MBA) program at the Ivey Business School, Eric Parker knew, without a doubt, that he wanted to continue his career in the Canadian technology industry when he graduated. In what location and in what type of role, he was unsure, but he figured the right opportunity would present itself some time during the school year.

Having experienced a steep learning curve in family business and three years of high-quality marketing experience at one of the world’s top technology companies, Parker was confident in his ability to make an impact and to have a sustained career in such an exciting industry.

Five months into the MBA program, Parker applied to an interesting opportunity with a growing technology firm in the Waterloo, Ontario region. After several interviews with Parker and visits from him, the company decided to extend an above-average offer. Parker, having recently completed the Ivey MBA Transformational Leadership course, took his time to reflect on the offer and to consult with mentors, friends, and family to ensure he was making the right decision.

After much due diligence, he accepted the offer—after all, the opportunity had come about in such a “textbook” manner that he was certain everything would work out and that this was the golden opportunity he had been waiting for.

Upon graduation, Parker promptly moved to Waterloo to start his new career in an area long regarded as an incubator region of Canadian technology innovation.

No amount of verve or excitement could have prepared Parker for what he had just walked into. Three hours into his first day on the job, he knew something was wrong. The “welcome” lunch with his colleagues read like a dire warning of what was wrong with the company. His new colleagues spoke at length about politicized factions between divisions, and it seemed as though convoluted decisions were being made without wider leadership-team alignment. His colleagues followed up with “advice” for him on how to survive—avoid specific people and specific topics during team discussions, and be aware of historical company milestones or decisions that should not be referenced. Being the eternal optimist, Parker figured he would go about his job with a positive attitude and that everything would work out. Besides, his direct manager seemed to be a reasonable individual and a skilled on-the-job mentor.

Unfortunately, life at the company did not get better. The culture was poisonous, senior leaders were oddly territorial, and information hoarding to retain a semblance of influence was a regular practice, as was outright lying on committed action items. Parker increasingly felt uncomfortable with his workplace situation. He was sensitive to the fact that every company had a degree of politics, but this felt like an exceptional case.

In an effort to remain objective, Parker instituted a three-strike policy to judge whether his assessment of the situation was well founded. As the weeks progressed, the strikes kept adding up, finally culminating in a situation that Parker had believed he would never encounter. Late on a Friday night, Parker was called into his manager’s office as he was wrapping up his work. What Parker heard next put him at a crossroads and would truly be a test of his values:

“Parker,” his manager began, “The CEO [chief executive officer] is about to make a financial decision about one of our product lines that will put the company in a financially insoluble position. As you know, a company’s leader must be like Teflon and be infallible. As such, he has instructed that I have you take the fall for this outcome and assume ownership of this decision.”

Parker did not know how to respond, but he would have to decide how to do so within a few days. This proposal from his manager, however, added a new dimension of complexity to an already complicated situation.