

# Ethics Report

## Cases in Business Ethics

### **Cultural Barriers: When Equality Compromises Efficiency**

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#### 1. Terms of Reference

We have been asked to write a report based on Cultural barriers: When Equality compromises efficiency. As analysed in the case study number 4. We were given up to 20<sup>th</sup> November to finish this report. This report is compiled in accordance with the instruction to advice Mike on the decision to redraw their target areas away from those where English is not their predominant spoken language.

Our group was asked to among other things carry out the following:

- 1) To read the article and understand it properly.
- 2) Take notes relevance to the article and the case study in reference.
- 3) Compare notes with team mates so as to make use of our different views and similarities in the case study.
- 4) To write the report reflecting the subject matter.

#### 2. Introduction

This case is about a sales representative called Ralph, working for a small but fast growing mobile and social advertising company. Ralph markets mobile and social advertising product to some business owners who have limited spoken English hence posing some sort of language barrier. Problem erupted between him and one of the business owners - a hair salon hairdresser due to lack of understanding of contract signed, leading to refunding of money and termination of the contract by the company co-founder 'Mike'.

This identified problem has forced the company to redraw its marketing strategies a number of times without success; rather they lose money and waste time on pursuing customers that are not interested. Hence, the co-founder 'Mike' is considering pulling out their target area from business owners where English is not their spoken language but he was concern that this would be injustice to some customers.

#### 3. Discussion

From the report, we were informed that Ralph was a sale representative of a small fast growing company. He does door to door sales, pitching the company's platform that helped client to gain a virtual following of customers.

Majority of the customers he sells to speak English as their second language thereby creating communication problem when negotiating a contract – What the writer was trying to put across to us was, the clients that Ralph does business with do not speak English or understand it that much and even Ralph could not communicate with them in their language hence a sort of communication barrier.

Securing of a contract with a salon hairdresser turned sour due to lack of understanding of the terms of the contract caused by language barrier – There was a disagreement between Ralph and the salon hairdresser because what the hairdresser was expecting was not what she got and this in our understanding, turned into a dispute. The co-founder of the company ‘Mike’ had to get involved and refund the initial sign-up fee of £100 and also cancelled the contract – what this meant was that the co-founder of the company had to intervene in order to resolve the issue and for the friction not to escalate by returning the signed-up fee and cancelling the contract as this is part of the company’s rules or procedures ‘customers are always right’. This made Mike to revisit the contract and Ralph’s sales presentation to ensure that the language was clear as possible during sales negotiation with customers because the company keeps losing money and time.

## **Recommendations**

One of the recommendations in the above case study is to advise the directors to rewrite the contract using other languages (especially the business owners’ spoken language) in addition to the use of English language when drawing the contract which would aid in detailed explanation to the customers.

Another recommendation is to employ sales representative that could communicate in other languages which would help break down some language barriers when communicating with customers. The sales person could also adapt to a customer friendly kind of presentation where pictures and images are drawn to represent what is going on.

In this way the director would have explore all areas possible before concluding on the next point of action.

Redrawing their target areas away from those where English is not the predominantly spoken language wouldn’t be an ethical solution because it would deprive the interested people without English as their predominantly spoken language of the services of the company and also people that have English as their first language could be affected by the decision.

The discussion was drawn up from the compilation of notes from members of this group based on the agreement of all parties. The disagreement that wanted to arise initially was due to the use of big grammar however amendments were made and a final copy of the discussion was produced.

## **4. References**

Saayeli M. (2013) Cases in Business Ethics *Cultural Barriers: When Equality Compromises Efficiency*. [online]. Available from: <http://www.scu.edu/r/ethics-center/ethicsblog/silicon-valley/16448/Language-Barrier:-Sales-Challenges-in-a-Multicultural-Environment>. [Accessed 15 November 2013].