CONFLICT OF INTEREST:  
A Little Help from your Spouse

You head the public relations department of the state’s largest bank. The department is responsible for putting together a quality service recognition program. Your bank’s public relations agency is designing the advertising specialty components for the program targeting the bank’s 10,000 employees.

Your spouse owns Large Promotions, the largest advertising specialty firm in the state. The company offers the best prices for large orders. Large Promotions has supplied products for a number of other accounts of the public relations firm. This is the first time, however, that the public relations firm has used Large Promotions for a bank project. The public relations firm does not know that your spouse owns Large Promotions. You have not suggested the use of Large Promotions.

The public relations firm has made its recommendations to you, including using Large Promotions as the vendor for the quality service recognition program.

QUESTIONS:
1. What, if anything, is ethically problematic about this case?
2. Who, if anyone, is potentially affected by this action and how?
3. What ethical guidelines apply in this case?
4. What are your next courses of action? With the public relations agency? With your management team? With your spouse?
   • Do you inform your bank’s management about the potential conflict of interest?
   • Should you ask the public relations firm to select another vendor?
   • Should you let the public relations firm pick the vendor? After all, you didn’t force them to pick your spouse’s company. Large Promotions did have the best price.