

In Good Company in the Classroom

Steven C. Palmer
Northwestern Oklahoma State University

Using movies as pedagogical tools is not a new concept. The movies provide common experiences and base from which class discussion can generate. One movie that has been successful in a business ethics class is In Good Company. The movie should not offend any students and raises several ethical and legal issues. Those issues include age discrimination, products/marketing directed at young children, corporate mergers, downsizing, corporate feuds, setting unrealistic goals and dating a subordinate's child. The paper identifies several ethical issues that will generate good classroom discussions.

INTRODUCTION

For approximately eight years popular movies have been a key pedagogical tool in my Applied Business Ethics class. The use of movies has been well-received by the students. Surveying students at the end of each class shows that three out of four students believe that movies should continue to be a primary methodology for teaching the class. A similar number of students said that they would take another class in which movies were used extensively in teaching the subject matter. Likewise, seven in ten students indicated that using movies positively impacted their enthusiasm for education (Palmer, 2006).

Frequently the first movie the students watch is *In Good Company* (Weitz and Weitz, 2004). One reason is the film is rated PG-13 and contains little material that students may find offensive. The PG-13 was assigned for some drug references and sexual innuendo. However, no student in anonymous surveys has indicated that he or she was offended by the content of the movie.

The other reason that *In Good Company* frequently is shown the first night of class is the wealth of ethical-related topics that arise in the movie. As will be discussed below, there are at least two dozen incidents in the movie that can generate class discussion about ethics or social responsibility.

PERTINENT PLOT SUMMARY

The movie concerns *Sports America* magazine and its marketing department. As the movie opens we learn that *Sports America's* parent company, Waterman Publishing, has just been purchased by another publishing conglomerate headed by Teddy K. (played by Malcolm McDowell), an eccentric and extremely successful business icon.

Dan Foreman (Dennis Quaid), as the movie opens is the advertising sales manager for *Sports America* magazine. He is visiting Eugene Kalb to try to sell him advertising space. Kalb advises Dan that he is not going to purchase any ads because Kalb's son says that magazines are a dying medium. Dan offers to send Eugene a copy of the magazine weekly and that he will call Kalb in a few weeks. Kalb is surprised

by the approach and asks Dan, "Is this your sales pitch?" Dan responds that he has been with the magazine for 20 years and believes in his product. Dan does not hard selling of any sort during the visit.

We are then introduced to Cater Duryea as he is making an in-house pitch to market a dinosaur cell phone targeted at the under 5 market. Duryea's supervisor, Mark Steckle, is excited about the idea. At the conclusion of the presentation, Steckle announces that Teddy K has asked him to lead the marketing efforts for the magazine division at Waterman Publishing. As Steckle is leaving he tells Duryea that Duryea will be the advertising sales manager at *Sports America*.

The news of the merger has the employees of *Sports America* talking about a mass firing at the magazine. The employees also wonder in what other ways the merger will impact their workplace. As the rumors and discussion are spreading around the office, Dan learns that he is being demoted from his position as sales manager back to the sales staff.

Dan, after playing tennis with his daughter, returns to his office to find Carter alone in the office. Dan discovers that the man in his office is his replacement, Carter. Dan, in astonishment that Carter is taking his job, asks Carter how old he is. When Carter replies 26, Dan has a hard time accepting that his new boss is so young. Carter then asks Dan how old he is. Dan tells Carter that he is 51; Carter responds that Dan is older than his dad.

At his first meeting with his new staff, Carter announces that he must immediately increase ad space in the magazine by 20%. Dan quickly notes that only a start up magazine can increase ad space to that proportion. Morty then asks Carter how Carter sees this being done. Carter, delaying a second, says "synergy." Carter further develops the answer off the top of his head. Carter talks about teaming with other Globe Com companies to increase the ad space. Dan asks if that is cheating.

Carter invites Dan for lunch. At lunch Carter pressures Dan to try to sushi despite Dan expressing his disinterest in sushi. Finally, Dan takes some sushi as Carter is holding the tray in Dan's face. Carter then informs Dan that he has been directed to immediately cut \$300,000 from the department's annual payroll. Dan assumes that Carter is firing him. Carter quickly tells Dan that he is not being fired. In fact Carter wants Dan to be his "assume wing man." Dan responds that he understands the benefit to Carter but see no benefit in being Carter's wing man. Carter says that Dan would still have a job.

The first *Sports America* firing is Enrique Colon, Dan's former boss. As Enrique storms out of the office, the other employees celebrate his departure.

Carter calls Dan on Saturday and suggests that there be a sales staff meeting the following day (Sunday). The meeting is just to throw around some sales ideas. Carter ignores Dan's efforts to suggest that they not have a meeting.

After the meeting Carter is looking to find someone to have dinner or drinks with him. He asks each member of the sales staff as they are leaving. Everyone turns him down. Finally, Carter invites himself to Dan's house for dinner. Carter drives Dan home. When Carter is introduced to Dan's wife, Ann, she extends her hand to shake his. Carter pushes her hand aside and gives her a big hug. Ann is surprised and uncomfortable with the hug. Carter admits to Alex, Dan's daughter, that he invited himself over to dinner because he did not want to be alone on the anniversary of the first date with his estranged wife.

While in Carter's office, Carter informs Dan that they will be playing on the Sales Department's basketball team in the new basketball league that Steckle is forming. Carter does not give Dan a choice. Then Carter asks Dan about Dan taking a client from Jamaican Rum to a New York Nick's basketball game on Wednesday. Carter tells Dan that all such activities must be approved by him in advance. Dan reacts that these are his clients to which Carter says they are Globe Com clients. Then Carter insists, over Dan's objections, that clients should be taken to the Globe Com luxury suite. To complicate matters the suite is not available for Wednesday's basketball game, so Carter tells Dan that he should entertain the client in the luxury suite at a rap concert on Thursday.

In the luxury suite the audience learns that Dan and Corwin from Jamaican Rum have had a sales relationship for 20+ years. Dan and Corwin excuse themselves to take a walk. Corwin informs Dan that his bosses at Jamaican Rum have ordered him to cease buying advertising in *Sports America*. This edict is based on the parent company of Jamaican Rum and Globe Com having a feud over wireless communications in Europe.

Upon learning of the loss of Jamaican Rum advertising Carter tells Dan that Morty and Louie have to be fired. Carter explains that the two have bloated salaries because they have been at *Sports America* for the past 8 years. Dan suggests that Carter fire him instead, but Carter talks him out of that position.

The following morning Dan walks into Carter's office at 7:00 a.m. and finds Carter sleeping on the couch. Dan tells Carter that he wants to tell Morty and Louie that they are being laid off. Then we see Louie and Morty sitting in Dan's office getting the news. Louie takes the news poorly and starts blaming Dan. Morty, on the other hand, seeks Dan's counsel and understands Dan's predicament.

While walking in New York City Carter runs into Alex, Dan's daughter, at a sidewalk café. The two of them start a romantic relationship and hide it from Dan.

At the office Dan seeks advice from Carter about Alex not communicating with her father. Carter tries to re-assure Dan that Alex can take care of herself, while also hiding the relationship from Dan. Then Carter asks Dan for marriage advice.

Carter attends Dan's surprise birthday party. During the party Carter and Alex sit to talk in Carter's car. As they are returning to the party Dan sees them holding hands. The following day Dan follows Carter when Carter leaves for lunch. Dan confronts Alex and Carter in the restaurant by punching Carter in the face.

The news around the office is that Teddy K will be visiting the *Sports America* office. When Teddy K arrives all the employees are lined up to greet him. Teddy K's entrance is that of a rock star. Teddy K notices Carter's black eye. Carter said that it occurred when he fell asleep at his computer. The employees gather in the conference room to hear Teddy K speak.

In his talk, Teddy K compares his corporation with a new country, a new democracy. When Teddy K suggests, in his speech, that this new world could include a computer section in *Sports America* magazine, Dan's laugh pierces the silence. Dan then asks Teddy K what he means. Dan also questions Teddy K about this new way of doing business. The rest of the audience looks at Dan with disbelief that Dan would question Teddy K. Dan delves into his question deeper about how the company is like a country. Further if it is a democracy, does the country not have an obligation to its citizens. This leads Dan to challenge the layoffs at *Sports America* as being responsible to the citizens of Teddy K's new country. Teddy K thanks Dan for his excellent questions and then avoids answering them by challenging the audience to provide the answers. Teddy K then leaves.

Right after the speech ends, Steckle storms into Dan's office, where Carter was also present, and fires Dan on the spot. Carter stands up for Dan and tells Steckle if he fires Dan he also has to fire Carter. Steckle asks Carter if he is throwing himself in with the "useless, over-the-hill loser." Steckle warns Carter to think about what he is doing because he (Carter) may end up like Dan. To which Carter responds, "That's okay." Steckle fires Carter. Carter tells Steckle that by firing Dan and him the magazine is going to lose out on a very big ad buy. When Steckle asks what account is making the huge buy, Dan responds "Do you think we would actually tell you." Steckle claims they are bluffing, and Dan says that he is not a good enough salesman to bluff. When Steckle says he does not care, Carter threatens to call Teddy K. Steckle gives them 24 hours to land the deal or they both are fired.

Dan and Carter head to see Eugene Kalb. When Dan introduces Carter to Kalb as his boss, Kalb replies that he looks more like Dan's nephew. Kalb asks Carter what happened to his eye. Dan says that he punched Carter in the eye because Carter called him an out-of-date dinosaur. Kalb, showing frustration with his nephew treating him like a dinosaur, commits to a major advertising buy with *Sports America*.

Dan tells Carter, as they are leaving, Kalb needed to see some old fart (Dan) take on someone half his age (Carter). That gave Kalb the strength to take on his nephew. Dan said that the best part was the ad buy was the right thing for Kalb to do. Carter, in amazement, says to Dan, "Wow, you actually believe in this stuff." Dan's responds that he does and why else would he do it.

Dan and Carter return to the office to discover that Teddy K had sold *Sports America* to another company. Steckle tells them that he and Carter have been fired in the reorganization and that Dan has his old job back.

Carter is lost after learning that he had been fired. He roams. Dan moves back into the corner office. Carter comes to visit Dan after a month. Dan offers Carter a job as his second-in-command. Carter turns it down because he is not sure he wants to be a salesman the rest of his life.

ETHICAL ISSUES

In Good Company presents several ethical issues. Below is a brief identification of many of these issues that can be the basis of classroom discussions.

In an age when the end result is the basis of performance Dan Forman shows the approach of building relationships. Rather than pushing the customer to buy what the customer does not want, Dan relies on his relationship with the customer. Is relationship selling more ethical than high pressure sales?

Carter Duryea is introduced to the audience as he is explaining how he has developed a cell phone that was designed with the specific purpose of being marketed to children. How many toddlers and elementary school children need a cell phone? Is it ethical for a company to design a product and advertising campaign to get children to nag their parents to buy a product that the child does not need?

In a corporate takeover, such as Teddy K is doing, is it ethical to fire the existing staff and replace them with staff from the acquiring company? If so, how does the acquiring company ethically decide which employees are fired, demoted or kept?

Carter, while waiting for Dan, is inside Dan's office looking around. Is it appropriate to be in the office of someone you do not know with the door closed, even if you are going to be moving into that office?

When Dan meets Carter Dan asks Carter how old he is. This, of course, is a means of showing disapproval of a much younger person replacing him and becoming his boss. Is this question ethical? Appropriate? Carter then asks Dan how old he is. Is this question ethical? Appropriate?

Regarding personal ethics impacted by business, Carter apologizes to his wife for their honeymoon which was constantly impacted by his business. He also indicates that he has been preoccupied with work. Is the balance of work life and home life an ethical issue? If so, how does one determine the appropriate balance?

Carter, in his initial meeting with the sales staff, indicates that ad pages have to be increased by 20% immediately. This raises the issue of goal setting and ethics. What ethical issues, in general, arise when setting business goals?

Carter explains that synergy is the key to increasing ad space. He then uses the Krispity Krunch example. Dan's response is to ask if this is cheating. Is what Carter is proposing ethical?

Carter and Dan have lunch. First Carter pushes Dan to eat sushi, which Dan does not want to do. But Dan eats it to keep his boss happy. Does this create any ethical issues?

At lunch Carter explains how he has to cut \$300,000 in sales salaries immediately. This is followed by Carter telling Dan that Dan would make "an awesome *wingman*." What are the ethical implications, if any, to demoting a manager and then asking that former manager to be the inexperienced replacement's top assistant and advisor?

Carter appears lonely, so on a Saturday he calls his sales force and sets a meeting for the following day (Sunday). Is an ethical issue created when the boss calls salaried employees into a non-essential, Sunday meeting on short notice because of his boredom or any reason?

After Dan is required to take a customer to a Legally Dadd concert, the customer informs Dan that he has been instructed to drop all advertisements from Dan's magazine. The reason for dropping the advertising is that the parent companies for the two organizations are feuding over cell phones in Europe. Is it ethical for the parent company to dictate to subsidiaries with whom they can and cannot do business based on circumstances unrelated to the particular subsidiaries?

Carter tells Dan that Lou and Morty are going to be fired. In explaining why these two salespeople are about to go Carter includes that the two have been there a long time and have bloated salaries. Is it ethical and/or legal to fire someone because these circumstances?

As he is being fired Morty thanks Dan for being a good boss. In Morty's words, Dan always treated people with respect. From an ethical perspective what does that mean?

Carter and Dan's daughter, Alex, start a relationship. This raises the issue of workplace romances. In this case you have a boss dating the daughter of a subordinate. Are workplace or extended workplace romantic relationships appropriate, ethical and/or legal?

As Alex and Carter are walking down the street, a merchant intentionally dumps refuse on the sidewalk. Is this ethical?

Teddy K is talking with the employees about corporations becoming nations without boundaries. What is the role of a corporation in society?

After the meeting with Teddy K in which Dan asked some very pointed questions, Steckle comes into Dan's office and fires him for challenging Teddy K. Is it ethical and/or appropriate for a boss to fire an employee because the employee asks challenging questions?

After making a major sale, Carter and Dan are walking away talking about what had happened. Carter says to Dan "Wow, you actually believe in this." Dan replies of course, why else would he be doing it. Is it ethical to sell a product in which you do not believe?

The movie raised several potential ethical issues. It demonstrated both unethical and ethical behavior by the main characters, as well as supporting characters. The movie has always provided considerable fodder for classroom discussion in a business ethics class.

REFERENCES

Paul Weitz (Producer/Director) and Chris Weitz (Producer) (2004) *In Good Company* [Motion Picture] Country of Origin: United States Universal Pictures.

Palmer, Steven. "A Night at the Movies: Using Theatrical Films to Teach Business Ethics." *Proceedings of Business, Society & Government Consortium*, Chicago, 2006.