

## The Too-Small Sample Teaching Notes

### *What Are the Relevant Facts?*

1. The marketing research firm cannot complete the study by the due date and make money on the job unless interviewing is stopped immediately and a multiplier applied to weight the data up to 500 respondents from the completed 350. The reasons for this are:
  - the project was underbid
  - the completion time was underestimated
  - the questionnaire was not pretested
2. The bank is paying for 500 interviews and a certain type of statistical analysis that may be inappropriate with a smaller sample.
3. Although the cost of the project is much less than the bank would have paid if it had used Jones & Wilson Research, the bank thinks it is getting a study based on 500 interviews.
4. Todd has no intention of telling the bank that the data is weighted.
5. The bank staff is apparently inexperienced in using marketing research.
6. Roland knows that other research houses weight data.
7. Roland needs the job.

### *What Are the Ethical Issues?*

1. The bank is paying for something it is not getting.
2. If the statistical analysis is inappropriate, the findings and conclusions drawn from the analysis may be misleading (or absolutely incorrect).
3. The bank is not getting the 500 interviews nor being told the truth.
4. Roland has been instructed by his superior, who is the owner of the firm, to weight the data.

### *Who Are the Primary Stakeholders?*

- Roland
- Todd
- The bank, including: the staff member who authorized the study; bank departments/staff that will use the findings for decision making; the stockholders of the bank.

- The bank's customers and/or potential customers who may be adversely affected by any decisions made based on the study.
- The interviewing service because it is an unknowing participant.
- Jones & Wilson Research because they probably lost a job due to Todd's underbid.
- The marketing research community/industry to the extent that unethical researchers create a poor image of the industry in general.
- Persons who responded to the questionnaire.

### *What Are the Possible Alternatives?*

1. Roland can refuse to do the weighting.
2. Roland can discuss his concerns with Todd and tell him that they should discuss the problem with the bank
3. Roland can inform the bank of the situation.
4. Roland can resign.

### *What Are the Ethics of the Alternatives?*

- Consider the Utilitarian model:
  1. Which alternative yields the greatest benefit to the greatest number of stakeholders? To what extent should the relative importance (financial and personal costs) be considered?
  2. How are costs and benefits measured in this case?
- Consider the Rights model:
  1. What does each stakeholder have the right to expect and why?
    - Roland?
    - Todd?
    - The bank, that is, its employees and owners?
    - The interviewing service?
    - Current and potential bank customers?
    - The marketing research industry or community?
    - Persons who responded to the questionnaire?
    - Jones & Wilson Research?
  2. For each possible alternative, determine if any rights of each stakeholder are violated.

3. Are some rights, or the rights of some stakeholders, more important than others?
- Consider the justice model:
    1. Do some stakeholders carry a greater burden than others in this case? For each possible alternative, explain which stakeholders have a greater burden.
    2. For each stakeholder state which alternative you would want if you were that stakeholder or belonged to that stakeholder group.

*What Are the Practical Constraints?*

1. Roland is an employee of the marketing research firm and his superior instructed him to weight the data.
2. If Roland refuses to weight the data, he may be dismissed.

3. The relationship between the marketing research firm and the bank could be adversely affected if they are told about the problem.
4. The bank may discover that the data was weighted. They could refuse to pay, inform other firms of the marketing research company's behavior, or even file suit because the terms and conditions of the contract were not fulfilled.

*What Actions Should Be Taken?*

1. Are there other alternatives available to Roland and/or the marketing research firm?
2. What action(s) can Roland take? Why?
3. Which ethical theory -- Utilitarian, Rights, Justice -- makes the most sense in this instance? Why?