

Case Study: The Purple Pig Company

- Purple Pig is a global manufacturer and service provider of high-tech widgets
- The Pig has made great inroads into several companies in the Mideast – particularly Israel, Turkey and Egypt
- To advance sales in these countries, The Pig promoted country managers for each country – Mr. Israel, Mr. Turkey and Mr. Egypt
- These country managers were instructed to keep their customers happy and run efficient operations
- Mr. Israel was from Israel and had gone to military school with the Chief Procurement Officer (CPO) of The Pig's largest global customer, ABC company
- Although The Pig had a Project Manager to run the projects in Israel, Mr. Israel and ABC's CPO often by-passed the Project Manager. In fact, Mr. Israel and ABC's CPO often dealt with each other directly on most items related to the contract for the widgets in Israel. They approved invoices for products that were delivered, found new suppliers of services in country, and directed The Pig's sourcing department to use these suppliers

Complaints began...

- The Pig's Project Manager began complaining because he was not being included in decisions relating to the project in Israel
- ABC's CPO became frustrated with The Pig's Project Manager and called The Pig's President, demanding that the Project Manager be removed from his program.
- The Project Manager was quickly removed as a major new competitive proposal was being submitted to ABC company
- A low level buyer refused to place a contract with the new suppliers identified by Mr. Israel and ABC's CPO
- Mr. Israel identified a smaller sourcing department in one of The Pig's remote locations and asked them to take over sourcing for ABC Company because the smaller sourcing department was more nimble
- The Project Manager called The Pigs Ethics Hotline and complained he was fired for retaliation
- The attorney assigned to the Israel project conducted an investigation. He interviewed Mr. Israel and concluded the complaint was unfounded. He closed the investigation.