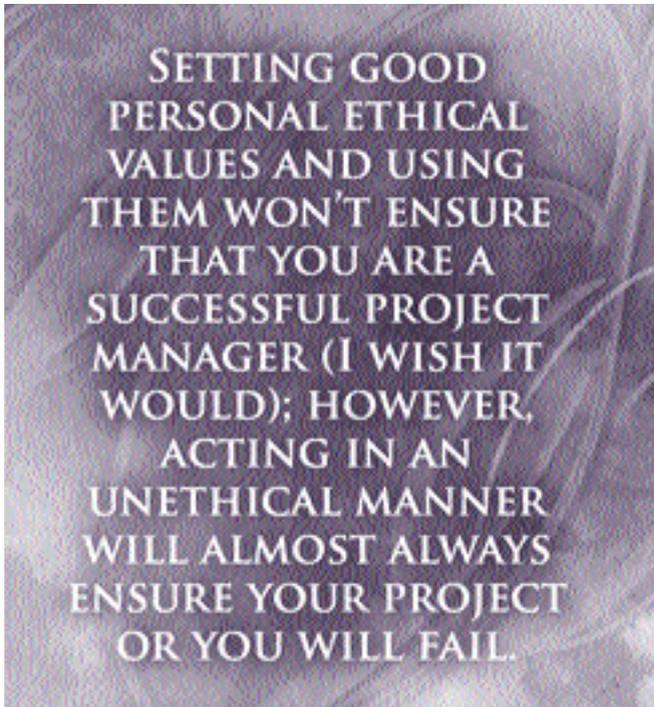


Black, White, and Shades of Gray

Ethics in Project Management

Wayne Turk



Most books, articles, and surveys on ethics or ethical behavior make it simple. They just say, “Do the right thing”; and when they give examples, those examples are usually clear cut. You don’t lie, cheat, or steal (sounds like the honor code at the academies). It’s good guidance, but the real world isn’t always that simple. Project management is just a microcosm of the real world. While it’s easy to say, “Always be ethical,” it’s not always easy to follow the dictum.

Some Definitions

It hasn’t been that long ago (1976 to be exact) that the *Wall Street Journal* called business ethics an oxymoron. And because of the many scandals in business (think Enron, think Darlene Druyun—just two of many), more and more companies and organizations are coming up with credos or codes of ethics. Douglas Wallace, a consultant in ethics, differentiates them as follows: “A credo

generally describes the highest values to which the company aspires to operate. It contains the ‘thou shalt’s.’ A code of ethics specifies the ethical rules of operation. It’s the ‘thou shalt not’s.’”

Then there are ethical virtues or values. Those are the guiding factors. Statements around how these values are applied are sometimes called moral or ethical principles. Examples of ethical values might include these from the The Josephson Institute of Ethics. Related values are grouped.

- Trustworthiness: honesty, integrity, promise-keeping, loyalty
- Respect: autonomy, privacy, dignity, courtesy, tolerance, acceptance
- Responsibility: accountability, pursuit of excellence
- Caring: compassion, consideration, giving, sharing, kindness, loving
- Justice and fairness: procedural fairness, impartiality, consistency, equity, quality, due process
- Civic virtue and citizenship: law abiding, community service, protection of environment

And Some History

Philosophers have been discussing ethics for at least 2,500 years, since the time of Socrates and Plato. Back then, Marcus Aurelius summed it up when he said, “If it is not right, do not do it; if it is not true, do not say it.” Some ethicists have considered ethical beliefs to be “state of the art” legal matters. In other words, what is an ethical guideline today, is often a law, regulation, or rule tomorrow. Plato countered that with “Good people do not need laws to tell them to act responsibly, while bad people will find a way around the laws.”

The Harvard Business School was the first to offer a class on “social factors in business enterprise” in 1915. Now about 90 percent of business schools provide some kind of teaching in business ethics.

A code of ethics is a written set of standards of behavior about how individuals are to act in order to be part of an

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organization. Among those directly related to project management are those from the Project Management Institute (PMI) and the American Society for the Advancement of Project Management (ASAPM). Theirs are typical, although they don't exactly go by Wallace's definition.

The 2006 version of the PMI *Code of Ethics* says, "In the pursuit of the project management profession, it is vital that PMI members conduct their work in an ethical manner in order to earn and maintain the confidence of team members, colleagues, employees, employers, customers/clients, the public, and the global community."

As a professional in the field of project management, PMI members make the following pledge:

- I will maintain high standards of integrity and professional conduct.
- I will accept responsibility for my actions.
- I will continually seek to enhance my professional capabilities.
- I will practice with fairness and honesty.
- I will encourage others in the profession to act in an ethical and professional manner.

ASAPM's 10-point code is similar, though spelled out in more detail. You'll find it at <www.asapm.org/a_ethics.asp>.

What Causes Ethical Slips?

What causes people to not follow the prescribed ethical guidelines? A 2005 global study of over 1,100 managers and executives identified the top three factors most likely to cause business people to compromise their ethical standards. All three impact project managers, as well as almost everyone else. The factors, in order, are pressure to meet unrealistic objectives/deadlines; desire to further one's career; and desire to protect one's livelihood.

How often are project managers faced with the first one? "Almost continually," is the answer. Project managers have to deal with unreasonable expectations, unrealistic schedules, unworkable budgets, too few resources, and crises that seem to pop up on a daily basis.

As for the other two—advancing your career and protecting your job—most of us consider them pretty important. The greater the personal upside or downside associated with a decision or action, the more likely that people will be tempted to compromise their ethics.

Let's consider a few typical arguments (slightly edited) that Jack Eckmire points out in *The Ethical Dilemma*:

- Urgent timing: "I don't care what the regulations say, I need it now."
- Entrenched opposition that can be avoided: "Nobody will find out till it is too late."

- Superiors or colleagues: "If you don't do this, we'll all suffer the consequences."
- Critical impact: "National security is at stake here."
- Competitor's tactics: "Our competition is doing it. We have no choice."

I would add a few others, and you can probably add more:

- "We can always fix it later."
- "What they don't know won't hurt them."
- "If we don't cut some corners, we'll never make the timeline."
- "Don't worry, they'll turn a blind eye to get this into the field."
- "But the regulation (or law or policy or contract) doesn't specifically say we can't."
- "We have to stretch the truth or we'll never get the funding we need."

The Cheatin' Heart

Cheating is a common ethical slip. According to David Callahan in his book *The Cheating Culture: Why More Americans Are Doing Wrong to Get Ahead*, there are a whole host of reasons why individuals cheat; however, there seem to be some recurring themes that apply to project management. David Foster and Jaime Mulkey, two ethics consultants, sum them up for their clients in these four types:

Whatever it takes, I will win: Rewards for performance have grown, especially for those at the top, whether in sports, school, or business. The result is that people will do whatever it takes to be a winner.

A tough economy means greater financial anxiety: There is increased concern regarding the security of one's job. People who should feel secure in their jobs don't. As a result, some people cheat on certification tests, take liberties with the truth on their resumes, or embellish their part on job performance or the project.

Let sleeping dogs lie: There is less chance of getting caught. Watchdog agencies such as the Internal Revenue Service, the Securities and Exchange Commission, the Government Accountability Office, and state regulatory boards have become less active in the enforcement of monitoring and sanctions.

Go on, indulge yourself: There is more cheating in today's society because "... our culture indulges it. We live in a more dog-eat-dog society, where greed and cutthroat competition are often encouraged by role models and television shows (e.g., *The Apprentice*)."

Ethical Dilemmas: No Easy Answers

You cannot establish in advance preferred behaviors in response to every potential ethical dilemma. It's not that simple. An ethical dilemma exists when one is faced

with having to make a choice among alternatives where there are significant value conflicts among differing interests; real alternatives are equally justifiable; and there are significant consequences for multiple people in the situation.

Let's look at some examples, mostly concerning a hypothetical project. The original versions of most of them are in the "Complete Guide to Ethics Management: An Ethics Toolkit for Managers" written by Carter McNamara. You can find it online at <www.managementhelp.org/topics.htm>. (Ethically speaking, I need to tell readers that.) Some have been significantly modified, and I replaced others with more appropriate ones.

Testing on the project is about to start. I notice that the test plan doesn't cover one area. It's an area that is not an official requirement, but it is important. We have been having some problems with this area. Do I bring up the omission?

A customer asks for a product (or service) from a current contractor. After learning the proposed price, the customer says that he/she can't afford it. The contractor knows that the product or service could benefit the project and is available more cheaply from another contractor. Should the contractor tell the customer about the competitor or let him/her go without?

A very important project team member has refused to use our e-mail system (or some other product needed in the project). He says it will go against the teachings of his religion to use a product built by a company that provides domestic partner benefits. He has cut himself off from the team, creating a major obstacle to project success. Do I let his religious principles impact the project?

The project is going to be downsized because of funding problems, but that's not yet general knowledge. I have learned that one of my team is among several others soon to be without a job. My boss says that I'm not to tell my team member yet because he might tell the whole organization, and that would cause problems. Meanwhile, I heard from my employee that he plans to get braces for his daughter and have renovations done on his house. What should I do?

There is a new position opening up on the project. My boss has told me that he isn't going to give me the position because he's earmarked it for a friend of mine. However, my friend has told me in confidence that he plans to quit in two months and start a new job that has been guaranteed to him. Is my promise not to say anything more important than my own promotion?

The justification for next year's funding for the project is in draft form, prepared by my boss. Some of the bene-

fits listed will, or at least may, be available in the long run, but certainly not in the version earmarked for funding. Should I say something?

Choices, Choices

All of the preceding are ethical dilemmas. There is no 100 percent right answer for any of them. That is why ethics are not black and white, but shades of gray. Sometimes the choice is between two wrongs or two rights. Knowing the appropriate course of action when the options are either both right or both wrong is tough. That is why you must set your own ethics as a person and as a project manager. The codes of ethics mentioned earlier are great guides. Set yours as high.

As a project manager, you are responsible for all activities that occur or fail to occur on the project. Being ethical in your decisions and actions is important. Setting good personal ethical values and using them won't ensure that you are a successful project manager (I wish it would); however, acting in an unethical manner will almost always ensure your project or you will fail.

The basic underlying principle of ethical behavior is honesty, which means no lying, stealing, or cheating. If you live by that basic principle, you will be okay. Yes, there will be times when there are shades of gray, by which I don't mean walking the line between ethical and unethical, but situations in which either answer is right or wrong, but a decision has to be made. Make your decisions based on your personal code of ethics.

On the positive side, ethical behavior leads to more effective communication and trust among project team members, and between the project team and external parties, including upper management, customers, and the general public. Don't take shortcuts.

On the negative side, being ethical won't always be easy. There will be times when it will be personally or professionally costly. There will be times when decisions are in those gray areas. As in real life, so it is in project management.

We could all do worse than to live by Mark Twain's advice: "Always do right—this will gratify some and astonish the rest." Our goal should be that the people around us aren't astonished because they're used to our doing the right thing.

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