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PMI Ethics Review Committee
Project Management Institute, Inc.
Four Campus Boulevard
Newtown Square, PA 19073, USA

RE: Case No. 06-EF-CA-01

Dear Members of the PMI Ethics Review Committee,

It is with sincere regret that I submit this letter to protest and refute the allegations in the referenced case that PMI Member Edward Fern has violated the PMI professional Code of Ethics.

My Background and Association With PMI: I participated in the pre-formation discussions over a 2 year period in 1968-9 at meetings held in New Orleans with Eric Jenett, Jim Snyder, and Susan Gallagher that led to the formation meeting of PMI on October 9-10, 1969, at Georgia Tech University in Atlanta, GA. I presented a paper titled "Planning, Scheduling, and Controlling the Efforts of Knowledge Workers" at that formation meeting. I am member number 6 of PMI, and I am not included in the list of 5 PMI founders since I had to depart from Atlanta early in the morning that the founding documents were signed in order to carry out a client assignment in Athens, Greece. Prior to that meeting I was one of the documented five Founding Trustees of PMI, however. I became PMP No. 277 on June 21, 1989, and was made a Fellow of PMI in 1989. I have held elected positions as a PMI Vice President and as President of the PMI Los Angeles Chapter for two years in the 1980s. I have written four published books (the first co-authored with Richard Villoria in 1967) on project management (published in English, Russian, Chinese, Italian, Japanese and Hungarian), have authored over 100 published papers, have contributed chapters to over 10 published books, and have given keynote presentations at several PMI (1971) and IPMA (1972, 1976, 1979, 1992) international congresses. I was on the Board of Directors of IPMA (formerly known as Internet) for 10 years in the 1970s and 1980s, and I have consulted in project management for clients in 14 countries on 4 continents. I was a founding member (No. 3) of the Association of Project Managers/APM (IPMA) and presently am an Honorary Fellow of APM. For further information about me please see www.russarchibald.com.

My Association with Edward Fern: I have known and worked closely with Edward Fern for five years, having first met him at a meeting of the PMI Orange County (California) Chapter, where I presented a paper titled "What CEOs Must Demand To Compete and Collaborate in 2005 -- Unleashing the Full Power of Project Management in the Internet Age" on November 13, 2001. (I note that this is exactly five years prior to the date of this present letter!) Ed Fern was a very active and supporting member of that PMI chapter, and volunteered to operate the digital projector for my presentation that night. We discovered that we both knew and worked with Mr. Vladimir Liberzon, who for some ten years was the founding President of the PMI Moscow Chapter. Mr. Liberzon had recommended to a Russian publisher that the 1992 edition of my book, **Managing High-Technology Programs and Projects**, be translated and published in Russian, and it was so published in 2002. Mr. Liberzon also wrote an introduction to that edition and performed a great deal of the technical editing work on it. Subsequently he was directly involved in the translation and publication of the third edition of that book in 2004.

Mr. Fern had been working with Mr. Liberzon prior to our meeting on November 13, 2001, and they have co-authored at least one book that has been published in English and Russian.

Since that time I have been closely associated with Mr. Fern through extensive email correspondence and through jointly presenting project management seminars in Moscow, Russia, and Kiev and Odessa, Ukraine. We have traveled together on several occasions and have presented and listened to papers together at PMI International and National Congresses in Moscow, Kiev, and Budapest, Hungary.

My General Evaluation of the Ethics Complaint Against Edward Fern: This action, in my opinion, falls into the category of “Frivolous Lawsuits,” which continue to plague our litigious society so viciously in the United States. The persons who apparently believe that an ethics violation has occurred do not have the gumption to sign the complaint themselves, but rather they hired an outside attorney, using PMI funds no doubt to pay his high fees that I estimate to be US\$300 per hour, to do their dirty work for them. I’m guessing that the initial cost to PMI for his preparation of this complaint to be between US\$5,000 to \$10,000. The purpose of this action is quite obvious to me: to intimidate not only Ed Fern but anyone else who has the temerity to question and criticize how PMI as an organization is being managed, and to stifle any critical evaluation of or comment on PMI management. The purpose of this ethics complaint is not to protect or enhance the “profession” of project management. The attorney filing the complaint has no standing as a member of PMI or a practitioner of the discipline of project management. He is not even on the paid staff of PMI. Why is the complaint not signed by the persons who seem to have a problem with Mr. Fern’s words and actions? I suppose they are hiding behind the corporate shield of PMI.

My Responses to the Specific Allegations in the Ethics Complaint: Since the complaint is available as a “read only” document I am unable to copy and paste any part of it here for easy reference. Therefore a reader of this response will have to go to the complaint (available, together with all related exhibits and other documentation at <http://www.time-to-profit.com/poop/>) to see what is presented there regarding each allegation. I refer below to the numbered allegations contained in the complaint, with the gist of the allegation paraphrased by me. In some cases I have quoted all or a substantial part of the allegations here.

1. Allegations: That Mr. Fern has a conflict of interest as a member of PMI because he belongs to another professional association (the American Association for the Advancement of Project Management/asapm) devoted to the field of project management, and he has been an officer of that association; and that this explains his “hostility and antagonism against PMI, its policies and staff.”

Facts:

A. Yes, Mr. Fern is an asapm Member and has been an officer of asapm. Does this constitute a violation of PMI’s Code of Ethics? No.

B. Yes, Mr. Fern has made antagonistic statements, and perhaps even hostile statements, about PMI and some PMI staff members. Do these actions constitute violations of PMI’s Code of Ethics? No.

If the persons to whom and about whom Mr. Fern expressed his opinions are slanderous or libelous, those persons are free to seek redress in the appropriate courts of the United States of America.

In my opinion Mr. Fern has simply exercised his right of freely speaking openly about his opinions of the policies and management of PMI. I do not agree that this constitutes unethical behavior by Mr. Fern, even if “hostile and antagonistic” language was used. What seems hostile to one person seems very appropriate to another.

2. Allegations: That Mr. Fern is an active, entrepreneurial consultant and educator in project management who:

- **Is President of Time-To-Profit, a project management training company;**
- **Promotes his company on the asapm web site;**
- **Has global business interests, including Brazil and Russia, where he attempts to disparage PMI for his own gain;**

- **Joined a Brazilian project management association, AGMP, the English translation of which has “a name very similar to asapm”; which association “was organized by a business colleague of Mr. Fern whose business sells Mr. Fern’s PMP training materials in Brazil”; and which association’s “website infringes on PMI’s intellectual property”;**
- **“...through e-mails and by other means, attempts to damage PMI’s ability to conduct business, obtain members, and retain members”;**
- **“...repeatedly attacks, often in a very unprofessional and uncivil manner, specific individuals on PMI’s management team, including the CEO and others on his staff, including general counsel.”**

Facts

A. Yes, Mr. Fern is President of Time-To-Profit, has global business interests including Brazil and Russia, joined AGMP, and is associated with Mr. Peter Mello, the Brazilian who founded AGMP. Does any of this constitute unethical behavior by Mr Fern? No.

If PMI has a problem with the now disbanded AGMP (of which I also was a member) then it should deal directly with that organization under the laws of Brazil, and not select one non-Brazilian resident member of that organization as a target.

If Mr. Fern was/is able to promote his business on the asapm web site this may or may not constitute a violation of asapm’s Code of Ethics. I do not see how it could be construed to be a violation of PMI’s Code of Ethics.

Does an “attempt to disparage” PMI constitute a violation of PMI’s Code of Ethics? I believe that this enters into a semantic and meaningless quagmire. Competitors in any marketplace are free to attempt to show one product or service is better than another, subject to laws governing slander and libel.

B. Does Mr. Fern attempt to “damage PMI’s ability to conduct business, obtain members, and retain members”? No. Even if he were able to do these things, would this constitute a violation of PMI’s Code of Ethics? Not in my opinion.

I have observed Mr. Fern in action numerous times on several continents, addressing large and small groups of project management professionals, and have received copies of probably hundreds of his e-mails concerning PMI. Whenever his comments focused on PMI he has never made statements that encourage anyone to leave PMI as members, or discourage them from becoming members.

On the contrary, Mr. Fern’s primary business, as a visit to his web site at <http://www.pm-prepare.com/> will clearly show, relates to preparing people in all parts of the world to take, and pass, the PMI PMP examination. This PMP preparation study is available there in English, Russian, Brazilian Portuguese, Chinese, and soon will be available in Japanese. If you go to <http://www.pm-prepare.com/honor.asp> you will see a list of several hundred names of people from many countries who have successfully passed the PMI PMP examination and who have become members of (or continued their membership in) PMI as a result of his excellent training. Mr. Fern’s primary business thus centers on encouraging professionals to actually become PMI members, and enhances the desirability of having the PMP certification by PMI.

Mr. Fern has actively promoted new chapters of PMI in the United States; Krasnoyarsk, Russia; Kiev, Ukraine; and Gdansk, Poland. He has inspired many people in many countries to join PMI. I have personally witnessed his zealous efforts to promote the advantages of PMI membership in the United States, Russia, Ukraine, and Hungary.

3. Allegations: “Mr. Fern, for more than two years, has engaged in a relentless campaign, involving extensive e-mails, worldwide, in which he has engaged in an injurious pattern of conduct to PMI.”

Facts:

A. Yes, Mr. Fern was, and is, relentless in his passion to correct what he sees as a number of deplorable faults in the manner in which PMI has been governed during recent years. Yes, he has sent many e-mails to persons in all parts of the world, including a series of exchanges directly with PMI CEO Greg Ballestrero, to which he has indicated that he received incomplete and evasive answers to his questions and assertions about how PMI is being governed.

Rather than being “injurious” to PMI, I believe that Mr. Fern’s “relentless campaign” is extremely beneficial to the future of PMI, since it calls attention to the several areas where the governance of PMI can benefit and improve, and provide more value to its members.

Does this “relentless campaign” constitute an violation of PMI’s Code of Ethics? No. As I stated earlier, the use of language that is perceived as hostile, antagonistic, arrogant, or even abusive does not represent unethical behavior, in my opinion.

B. Is Mr. Fern making mountains out of molehills with his “relentless campaign”? No. Many of the concerns expressed by Mr. Fern and questions that he has raised concerning PMI’s governance are the same as I raised in my “Open Letter to the Board of Directors” of PMI in 2004. This was published in the March 2004 PMI Today newspaper as “How PMI Can Truly Become Global” on page 3 of that issue. Mr. Ballestrero presented a 2 ½ page article starting on page 1 of that same issue, “Progress Report on Serving PMI Members Worldwide,” which referred to my letter, and responded to some of the eight points that I presented, but in a rather incomplete fashion. Most of these issues are still unresolved, in my opinion.

4. Allegations: “Mr. Fern repeatedly encourages people not to use PMI and its resources and on multiple occasions has engaged in uncivil behavior in his e-mails, many of which include false, misleading and defamatory statements about PMI, its staff, policies and procedures. For example, on July 19, 2005, Mr. Fern wrote: ‘This message is being sent to each PMI chapter outside the United States and to many PMI Fellow, senior members and former members. I believe we are at a critical juncture in the development of PMI. Either we will become a truly global organization dedicated to the service of our profession or it will become a business serving the needs of the paid professional staff and the special interests of those who are chosen by the paid staff to serve on the Board of Directors.’”

Facts:

Yes, this quotation is apparently accurate. I presume that this is the best example that is available to support the erroneous allegation that Mr. Fern “repeatedly encourages people not to use PMI and its resources and on multiple occasions has engaged in uncivil behavior in his e-mails, many of which include false, misleading and defamatory statements about PMI, its staff, policies and procedures.” Which words in this quotation “encourage people not to use PMI and its resources”? Where are the words that are “uncivil”? What is “misleading and defamatory”?

Does this quoted statement of Mr. Fern’s, as the best example, represent a violation of PMI’s Code of Ethics? No.

Is this statement uncivil, misleading, or defamatory? No. If Mr. Fern has made defamatory statements the best remedy is to bring suit against him in a civil court within a state of the United States. Do defamatory statements constitute a violation of PMI’s Code of Ethics? I do not believe that they necessarily do so.

Does this statement quoted above discourage people from joining PMI or using its resources? No.

5. Example Given Without a Statement of Allegation: Via e-mail, Mr. Fern asked member of PMI’s Registered Educational Providers/REP program how they benefit from their participation in the REP program and suggested that they review their participation in it, in light of the PMI “Mega Seminars World” March 27-30, 2006, at Disneyland in California. As stated in this example, Mr.

Fern says: “I would also ask you to consider the potential benefits of diverting your support in favor of the local PMI chapters that serve your community.”

Facts:

Yes, Mr. Fern did ask the members of PMI’s REP program to reevaluate their participation in that program, since the continuing PMI Seminar World events are directly in competition with the business of all REP members of PMI. This direct competition, which uses the full power, member information base, web site, advertising revenue, and overall marketing clout of PMI to take business away from all of those individual and organizational PMI members who make their living through presentation of essentially identical seminars, classes, and training courses that are offered by PMI Seminar World, which is managed and promoted by the paid staff of PMI, and not by volunteer PMI members. Granted, some PMI members are involved in presenting the PMI Seminars World seminars, but many of those presenters are less qualified and less experienced than the Registered Educational Providers that are certified through PMI procedures.

Does Mr. Fern’s request of the REPs constitute a violation of PMI’s Code of Ethics? No.

Does Mr. Fern’s request that the REPs divert their resources to aid local PMI Chapters detract from the strength and growth of the PMI membership? No. On the contrary, this diversion of their support would greatly assist in the membership growth of PMI, even though it might reduce PMI’s income from REP fees. The increased membership fee income could actually exceed the loss of the REP fees.

6. Allegations: “Mr. Fern takes every opportunity to disparage PMI, its Board of Directors, CEO and staff, as well as the services and products offered by PMI.” A list of 10 specific e-mails dated from 12/14/03 to 2/6/06 are then quoted.

Facts:

Yes, Mr. Fern did send the quoted e-mails. However, a careful reading of these e-mails does not reveal any words or actions that represent a violation of PMI’s Code Of Ethics, in my opinion. Perhaps some of the statements will be construed as being “disparaging” by some readers. To disparage someone or something does not represent an unethical action, it seems to me. Mr. Fern often uses hyperbole, satire, and sarcasm, as do many of us. The use of hyperbole does not represent unethical behavior. Does expressing an opinion that a particular person is “untrustworthy” constitute a violation of PMI’s Code of Ethics? No.

7. Allegations: “Mr. Fern has made many erroneous and disparaging remarks in an attempt to belittle PMI in the eyes of the global community and to divide PMI and its components. Mr. Fern has made baseless allegations regarding the PMI Board and the Community Transformation Project, which is intended to provide members a greater input into the types of PMI communities in which they can participate.” Quotations are then provided from Mr. Fern’s e-mail dated July 19, 2005, purporting to support this allegation.

Facts:

Yes, Mr. Fern sent this e-mail to all PMI chapters outside the United States and to many PMI Fellows, senior members and former members. Is Mr. Fern opinionated? Yes. Does he hesitate to state his opinions? No. Does he use mild and sedentary language? No. Does he use sarcasm and satire? Yes.

Does any of the language quoted support the allegations? No. There is no attempt by the Complainant to show that Mr. Fern’s statements are “erroneous and disparaging.”

Complainant’s Final Allegation (page 12 of the Complaint): “Finally, Mr. Fern’s conduct has unnecessarily complicated and/or escalated several organizational matters causing the expenditure of much time, effort and expense which could have been directed in a much more positive area. His

unethical and severe conflict of interest due to his directorship in a competing project management organization, in and of itself warrants immediate action.

“The Board asks that Mr. Fern’s PMI membership be revoked immediately.”

Facts:

Does the “causing expenditure of much time, effort and expense” constitute a violation of PMI’s Code of Conduct? No.

Many current PMI members either presently hold, or have held, directorships in “competing project management organizations.” Some current members and certainly some past members of the PMI Board of Directors are believed to either presently hold, or have held in the past, such directorships. It would be interesting to check the records of project management organizations in Australia, New Zealand, South Africa, Germany, Canada, Brazil, China, India, Indonesia, Japan, the United States of America, Ukraine, Russia, Poland, Hungary, Italy, France, Sweden, and many other countries to see how many PMI Chapter Presidents and PMI Board Members have, or have previously had, similar “unethical and severe” conflicts of interest with PMI due to their memberships and directorships in other “competing” organizations. I have been a director of IPMA while at the same time holding the position of President of the PMI Los Angeles Chapter, for example.

The Final Allegation stated above amply demonstrates the prevalent attitude by the current PMI staff that PMI is a profit-making organization solely in business to generate profits, grow as large as possible, and dominate the “industry” of project management. Any competition is unwanted and will be resisted by any and all means, including intimidating and muzzling outspoken members who, like Ed Fern, are primarily concerned with serving the members of PMI and the developing ‘profession’ of project management.

Concluding Remarks: I sincerely hope that you, as members of the PMI Ethics Review Committee, reject this complaint and recognize it for what it represents: An attempt to subvert the true purpose of the PMI Code of Ethics and simply get rid of what the PMI staff and some (probably) of the PMI Board of Directors perceive to be a pain in the neck and a trouble-maker who is causing embarrassing exposure of some of the short-comings of the governance of PMI.

A final note about “confidentiality”: Although the complaint is labeled “confidential” this marking has no legal standing, such as classified information within the United States Government. Mr. Fern has disclaimed making this matter confidential, so I am taking the liberty of sending copies of this response to my fellow PMI Fellows and others in the project management field whom I know and respect, together with the Internet link on Mr. Fern’s website that provides access to all of the documentation related to this complaint. I believe that transparency and publicity concerning all aspects of this matter is the best remedy for what appears to me to be an abuse of a valuable procedure, namely the enforcement of the PMI Code of Ethics in a professional and ethical manner.

I will appreciate receiving your official notification of your ruling on this case.

Sincerely yours,



Russell D. Archibald

PhD (Hon), MSc, PMI Fellow, APM/IPMA Fellow, PMP, PMI Member No. 6