

PM World Today Viewpoint – November 2006

Manager Ethics – Another Look

David I. Cleland, PhD

Professor Emeritus, School of Engineering
University of Pittsburgh, Pittsburgh, PA, USA

One of the dictionary definitions of ethics is that it is “The rules or standards of conduct governing the members of a profession”. Roget’s Thesaurus, a comprehensive book of synonyms offers several words and phrases that have the same meaning as ethics such as morals; rule of what is proper or fitting; standards; moral principles; code of morals; and a morals system.

Ethics in the workplace refers to rules and standards governing the conduct of organizational members. There have been all too many situations in which the conduct of managers has been contrary to ethical behavior. A couple of examples:

- On January 28, 1986 the space shuttle Challenger lifted off on an historic mission. Unfortunately the Challenger exploded after the launch and the entire crew was killed. An investigation by the Presidential Commission on the Space Shuttle Challenger Accident showed that failed o-rings caused the explosion. From examining the communications between the engineers and managers on the project, the two groups had different understandings of the truth and could not communicate their differences to one another effectively. The engineers had warned that there was a significant chance for failure. The managers simply chose not to follow the recommendations of the engineers – the result was a failure that set the U.S. Space Program back several years.
- The poor management of the early design and construction of Nuclear Power plants in the USA. As an example consider the lack of oversight by the Pacific Gas & Electric Company in the design and construction of the Diablo Canyon nuclear power plant. In the testimony of expert witnesses at the court hearings by the State of California to evaluate a request for rate changes by the company to recover the cost of the plant’s design and construction of approximately \$5 billion, it was clear that neither the Board of Directors nor the Executive Committee played any significant oversight in the management of the project until late in its life cycle.

GENERAL BUSINESS EXPERIENCE

Ethical scandals in today’s business organizations can be found in every newspaper or business journal in which situations or issues reporting on unethical behavior, questionable business practice, or outright violation of the law. Frank J. Navran, of NAVRAN ASSOCIATES wrote in a recent issue of Training and Development magazine that these spectacular scandals account for only about 10% of the business losses attributable to poor ethical behavior. He further notes that the other 90% accounts for billions of dollars annually across the U.S. through the way we treat each other when protecting our own turf, or get ahead at the expense of others, or do the wrong things because we believe that is what our organizations wants us to do.

VALUES – MORALS – ETHICS

Values are the fundamental beliefs that we hold. They are the principles that we hold regarding what is right, good, and just. Values provide us with guidance on which to base our behavior, the standards of performance that guide us as we make and implement managerial decisions.

Morals are the values which are inherent in a system of beliefs – a higher authority such as a business society in which business values such as performance excellence, quality, safety, service, and accomplishing desired results are important.

ETHICS IN PROJECT MANAGEMENT

Project team members are required to work in different environments that have unique cultural value systems, morals, and ethics. It is expected that people in the project management field have both personal and professional ethics. Project personnel must clearly understand and accept their adherence to a policy on code of ethics developed and disseminated by the organization to which they belong.

There are several interrelated key responsibilities involved in having a successful ethics policy:

- The development of policies which establish ethical principles and standards for the organization.
- Appointment of an individual within the organization that has primary responsibility for the design and administration of ethics policies.
- The distribution of these policies to the members of the organization.
- Proactive teaching and guidance of the organizational members about the ethic policies.
- Provide counseling to organizational members about ethical issues in their roles in the organization.

PROJECT MANAGEMENT INSTITUTE (PMI) POLICIES ON ETHICS

The Preamble to PMI's Member Ethical Standards states that it is vital that members conduct themselves 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. The PMI Ethical Standards goes into detail concerning how these standards are to be carried out by PMI members.

Unfortunately the Project Management Body of Knowledge (PMBOK) gives inadequate attention to the role that ethics play in the knowledge, skills, and attitudes required for managing projects. Perhaps the time has come to review this omission.



David I. Cleland, PhD



David I. Cleland, Ph.D., is professor emeritus in the School of Engineering at the University of Pittsburgh, USA. Dr. Cleland is the author or editor of 36 books on project management and engineering management and is the most published author of PM textbooks in the world. He has served as a consultant for both national and foreign companies, and is co-founder of the University of Pittsburgh's Manufacturing Assistance Center (MAC), whose mission is to provide manufacturing systems technology assistance to small and mid-sized manufacturers in Western Pennsylvania. A long time member of the Project Management Institute (PMI®), David was named a Fellow of PMI in 1987 and has received PMI's Distinguished Contribution to Project Management Award three times. PMI established the annual David I. Cleland Excellence in Project Management Literature Award in 1997 in his honor. Dr. Cleland has a Ph.D. from Ohio State University, and MBA and MA degrees from the University of Pittsburgh in the USA. He is very well known in the global PM professional community.