

OPINION PIECE:

# Why we need to be ethically mature project managers

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**W**hat has ethics got to do with me – I'm a project manager? I'm honest, I know right from wrong and I have a code of conduct; why do I need to make managing ethics in my project a priority?

Every day there are examples in the press of apparent unethical conduct across many industries. Banks, for example, are often blamed for rate-fixing, mis-selling, taking too many risks and developing bad debts. Energy firms are apparently making too large a profit and erecting wind turbines in areas of outstanding natural beauty, spoiling the views for many. Construction projects that cut through swathes of countryside are disturbing people's peace and quiet. Bribery has been discovered in a few projects, paying people to win work or to help smooth their delivery.

Projects are becoming more complicated and complex – they involve

changing the way people live and work, delivering complex assets in a rapidly-changing world. To deliver these projects we work with many countries and cultures through supply chains or during rollout with teams spread all over the world.

The range of stakeholders we deal with is becoming wider – project initiators, investors, policy-makers, sponsors, project leaders and members of project teams – all of whom will encounter a range of issues.

Managerial problems used to be technical challenges; now they often have an ethical dimension requiring reflection on individual and communal values. Additionally, considering the long-term reputation of the business is of increasing importance. With all of this change and complexity, the potential for conflict, unethical action and differences of opinion is increasing day by day.

The management of ethics in projects is important for a number of reasons:

1. Increased public interest and the need

2. Recent scandals have set the tone of politics and society – their willingness to put up with this behaviour has reduced and an appetite for action to address and punish wrongdoing has increased.
  3. Developments in law, such as the US Foreign and Corrupt Practices Act and the UK Bribery Act, have tightened up what is legal and what is not.
  4. The pace of change in society and people's views on what is acceptable and what is not is increasing.
  5. Our projects operate across international boundaries, merging different norms of behaviour – what is normal for one person may be uncomfortable for another.
- The ethical view of a project has to be considered as an asset to be managed – it is not enough to do the right thing and obey the law when a situation arises. Even when we have done the right thing it must be seen by others as the right



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thing, or at least our reasons for action should be understood.

Ethical issues have to be anticipated and planned for and project teams equipped, prepared and supported to help them address these issues.

Most importantly, the image of a project has to be presented and not left to chance. It is no use doing the right thing, if others can argue that it is not ethical.

What we have in place now is not enough to be, and to be seen to be, ethical. Many of our codes of conduct are too simplistic; they include bland and obvious statements about obeying the law, being honest and respecting others. They offer little or no practical guidance on what to do when you find yourself in a difficult ethical situation, or indeed how to spot one. Modern codes encourage people to think about issues rather than just following the rules.

In Nichols we have a code supported by an Ethics Champion and based on a vision and set of values embodied by all staff saying that Nichols employees will act with:

- Integrity, steadfastly applying high moral principles
- Honesty, being truthful and open
- Competence, ensuring our advice and opinion is based on experience and fact
- Benevolence, treating all with respect and kindness.

Many project managers are not yet equipped with sufficient knowledge of ethics, the law or the required skills to enable them to think about these issues. This will make it harder for them to communicate in the public forum and understand the full consequences of their decisions. Some leaders ensure they are aware of their own values and those of others – they take care to ensure their ethical actions are understood and presented, allowing their companies to thrive in the societies in which they operate.

This is where we need to develop the renaissance – ethically mature – project manager. This new type of project professional is someone who has:

1. Sufficient knowledge of ethics and the law to be able to think about and communicate issues;
2. The emotional intelligence to be able to sense and act on the mood of the team, stakeholders and society;
3. The ability to ethically lead the project and set the example.

Ethics and the management of ethics are fast becoming a core skill, vital for today's project professionals. For our profession to continue to thrive and grow in today's society we need to be the trusted leaders of today and tomorrow. We all need to be ethically mature project managers who create the right environment and set the tone for our projects and for society.



We have all witnessed it, project professionals championing governance and controls one minute and then bypassing it all when a 'just do it' project comes along. You might think I am being naive and that some projects just can't wait for the full gamut of initiation to begin, but a complete disregard for basic protocols will have consequences for your organisation. First, it sets a dangerous precedent. When the gateway into the portfolio is deemed laissez-faire, then don't be surprised to receive continuous 'just do it' requests with vague requirements.

The impact may not be immediate, but you will find your PMs spending additional hours trying to reconcile delivery against nonexistent or vague parameters.

A bypass route will also contribute to a culture where PMs will start to take their own short cuts and will lose faith in the validity of governance and controls. Here are a few points that have helped me over the years.

Be bold; explain the value of baselining requirements to the executive. Explain the negative impact JDI culture has on the PM community.

Regardless of assurances you have been given on financial coverage from 'slush fund xyz', insist on getting in writing specifically where the project will be funded from, or be prepared to forever chase your tail when attempting to reconcile financials later on.

JDI projects usually come in at short notice and therefore don't always have user stakeholders defined. At minimum insist on getting the name of the person signing off requirements and acceptance. Failure to get this may result in continuous scope creep while the PM is sent from pillar to post trying to get clarity.

» Mo Badat has 13 years' experience as programme and portfolio manager, with key expertise in establishing EPM discipline.