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Measuring the Level of Ethics within the Project Team

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Abstract

The subject of Ethics has been of interest for centuries, especially for philosophers and theologians, and it has impacted all aspects of human life since its beginnings. Today more than ever ethical behavior is essential in the business world and it is of focus in all organizations, even in the temporary, project based ones. "Measuring the Level of Ethics within the Project Team" is an article that addresses the need to assess the level of ethics of any and every project team, by testing the applicability of a previously designed instrument. The tool was created with the help of a group of ethic professionals from the Project Management field through a focus group. The resulting questionnaire consists of a series of statements, considering the areas of project organization, team communication and team development, out of the total of 79 resulted affirmations. To validate the applicability of this kind of assessment, 28 questions were selected and previously applied in an outsourcing multinational company with over 2000 employees in Bucharest only; more specifically in the Purchasing Department for client X, where there were several ongoing projects. In accordance to specialty literature, several basic ethical values were especially tested: responsibility, respect, honesty, fairness. Considering the premise of this research is that this instrument is suited for any kind of project team, this paper's main objective is to test if there is a correlation between the questionnaire positive results and the existence of at least one of the six ethical conduct elements. Consequently, the hypothesis is that the results of the questionnaire will be influenced by the existence of one or more of the components: code of conduct, trainings, advice, evaluation, reporting and disciplinary systems. To test it, 33 project teams were asked to take the questionnaire, and their responses were correlated positively, negatively or neutral to the companies' concern for business ethics norms.

Keywords: *Ethics; Workplace; Project Management; Team; Assessment.*

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1. Introduction

This article is based on a previous research meant to find a suitable instrument to test each and any project management team's level of ethics. Previously, a few experts in the field of project management ethics had a focus group that resulted into 79 questions to be used in assessing the level of ethics within a project team. Because the purpose was to create a tool that suits all kinds of project management teams, and in some cases time is of the essence, out of the 79 questions, only 28 were selected.

In order to test the validity of the ethics measurement instrument, it was tested on 41 members of project management teams from a multinational company that has all of the elements necessary to truly have an ethical workplace, according to the 2013 National Business Ethics Survey, and one more - business conduct as well as ethical behavior stands as the base for employment [4].

The company has a comprehensive code of conduct and its main values are always kept in sight may it be as screensavers, or as images on the walls, or even on the office supplies.

Although many studies point out that millennial professionals are a bit more difficult to work with as they have little to no patience, they are job-hopping etc. they also show that generation Y has distinctive qualities like team and achievement orientation, tech savviness or family centricity, but also they are heavily civic-oriented [7].

Their entry into the labor market, the economic crisis of 2008 and other important events in recent history have led to an important change in the world of business in recent years noticed by theoreticians and practitioners altogether: a focus on business ethics.

This is why this article has 2 main hypothesis that are based on the previous research:

① The instrument is applicable to any and all project management teams, regardless of their size, domain, level of education, location, culture etc.

② There is a positive correlation between company's level of (formalized) interest in business ethics and the results of the ethics measurement within its project teams.

2. Problem Statement

Due to lack of or insufficient formal ethical training, project managers often find themselves in difficult situations from a moral point of view [3].

The difficulty comes from the fact that not all immoral activities are punishable by law and this means at least two things: they are harder to recognize and they are challenging to solve.

Many theoreticians and practitioners found the subject interesting enough to research and found out that even ethical project managers and teams are sometimes caught in moral grey area, and some of them even without being aware of it.

As stated by Jeffrey H. Schweriner [9], there are several ways that otherwise ethical project managers or owners can derail in an uncertain moral zone.

- Losing sight of the projects' purpose, functionality and focusing on the projects that bring the most profit margins.
- The manager choosing the most cost effective solution for a project (with the risk of compromising the quality), without asking the stakeholders.
- Deciding not to kill or put a project on hold for subjective motives, like sunk costs.
- Overselling when trying to get a contract.
- Not keeping project costs 100% transparent with the project manager.
- Designing the projects in a way that focuses on the revenue generation for the project team and not on the customers' satisfaction.

According to Shouche Sandeep [10], there are project managers that have an ethical behavior but they limit their actions to the minimum involvement necessary and this can lead to 8 types of common ethical dilemmas:

- Reporting correctly
- Protecting and considering all stakeholders equally
- Remaining objective and above suspicion
- Asking for superiors' help when needed
- Having responsibility AND authority
- Accepting and Assigning Responsibility
- Looking to continuously improve the processes
- Help the Project Management community

Many project managers consider it difficult to resolve moral conundrums or they do not even recognize them. According to David Grover [6] some examples are:

- Focusing on completing the project within its constraints, without considering post-project repercussions.
- Failing to harmonize different work ideologies.
- Taking and assigning responsibility only for successes, not for failures.
- Isolating from others' (ethical) advice - colleagues, mentors, ombudsperson etc.

As seen in the examples identified by Jeffrey H. Schweriner [9], Shouche Sandeep [10], David Grover [6] and other researchers, there are immoral actions that are not punished by law, but left to the individual consciousness.

That is why many organizations have developed at least one of "*the six elements of an ethics and compliance program*" [2].

Figure 1. The Six Elements of an Ethics and Compliance Program

Source: 2013 National Business Ethics Survey, Ethics Resource Center

The Project Management Institute (PMI®) believes that all project management practitioners should be conducting their work in an ethical manner as it is vital in order to obtain and/ or conserve the confidence of all stakeholders.

PMI also believes that a true project management professional should have a strong moral behavior and that in the future this trait should

no longer be only aspirational and rely on individuals' sense of accountability, but it should also be enforceable [1].

For a long time, PMI used differentiated moral standards for members than for PMI credentialed individuals - Member Code of Ethics.

The PMI Membership Standards of Conduct for members specified to the members their obligations and the expectations they had to live up to.

The standard for professional services included references to the essential business relationships: *"PMI Members will provide customers, clients, and employers with fair, honest, complete accurate information concerning (a) their qualifications; (b) their professional services; and (c) the preparation of estimates concerning costs, services, and expected results"* [8].

PMI certifies its Project Management Professionals (PMP®) and Certified Associates of Project Management (CAPM®) also based on their agreement to a Code of Professional Conduct.

This code has the purpose to educate PM specialists regarding their moral obligations and, by doing so, to underline their responsibility to support ethical and professional practice.

With the help of the Ethics Standards Development Committee (ESDC), the new CEPC was drafted and became applicable to all PMI related individuals as it is a combined and revised one of the two, because *"Stakeholders who contributed input to develop this Code concluded that having multiple codes was undesirable and that everyone should be held to one high standard"* [8].

In ESDC's opinion, *"the actions of an individual practitioner shape the reputation of the entire profession... we wanted to set a high standard that will instill confidence in the public with regards to the project management profession and equip practitioners to make wise decisions under sometimes difficult circumstances"* [1].

3. Research Questions/Aims of the research

Some major events in the recent history of human kind like climate change, the economic crisis of 2008 and others promoted a shift of focus towards ethics in business in the academic field as well as in practice [5].

This is why the present research has 2 approaches, that are based on the previous research, but target the current global context: to further verify if the instrument is applicable to any and all project management teams, regardless of their size, generation, domain, level of education, location, culture etc. and to test if there is a positive correlation between company's level of (formalized) interest in business ethics and the results of the ethics measurement within its project teams.

4. Research Methods

The research was both quantitative through the questionnaire processing and statistical analyze of the 33 project teams responses and qualitative through their content analyze and correlation with the declarative ethical positioning of their respective companies (mission, vision, code of conduct).

The project teams that agreed to answer this questionnaire are of different sizes (between 3 and 12 people), develop projects in diverse fields, have various work experience, come from contrasting backgrounds, have different experiences in terms of project management.

The 33 interviewed project teams resulted into a total of 243 completed questionnaires.

The companies and the employees that chose to answer the survey remained anonymous to ensure their sincerity and openness to give meaningful and well thought answers.

Besides reinforcing the already proved hypothesis that this instrument is suitable for any and all project management teams, this research tried to test if there is a positive correlation between a high level of ethics within the project team and the company's concern in business ethics.

In order to test both hypothesis, the survey had 4 parts.

The first part had questions related to each individual's professional background and past experiences. The second part was formed of 35 statements applied to the six elements of an ethics and compliance program identified by the Ethics Resource Center in 2013 [2]. The third part had statements concerning common biases and the fourth, statements referring to the PMI core values(responsibility, respect, fairness and honesty) [8].

5. Findings

5.1. Individual Background and Past Professional Experiences

The majority (34,16%) of the respondents are on the labor market for 5 to 10 years, but the people that have been working for the past 10 to 30 years have a good representation (33,74%), as well as young professionals that have been working for only 1 to 5 years (22,22%).

Most of the respondents (89,71%) have worked for more than one company and they stated that only some of them (58,02%) highlighted the importance of ethical behavior in business.

Only 12 out of the 243 interviewed professionals stated that they have not been trained in business ethics, the others chose mostly on the job trainings as the circumstance where they studied it (78%).

72,02% of the respondents said that they haven't read they company's ethical standard, but 83,89% stated that they believe that implementing at least one of the six elements of an ethics and compliance program is helpful for a company.

The heterogeneity of the interviewed professionals is a valuable aspect of the research because it allows to have a broader view over the current situation.

5.2. The Six Elements of an Ethics and Compliance Program

Most of the organizations the interviewed professionals currently work in (60,91%) have clearly defined organizational values, that the project teams can align themselves with (78,60%), but the team members are not always motivated to respect them (46,50%) as moral indicators are not included in the performance evaluation in most of the cases (31,28%).

In many of the companies in question, there are formalized behavioral rules like Code of Conduct, internal regulations etc. (45,68%) that are most than often considered valid for the ongoing projects ex officio (41,98%).

Only about half of the companies offer their employees training in ethics (53,50%) besides having written ethical standards and maybe this is why the respondents are not convinced that the project managers are properly prepared regarding ethics (39,51%), although moral compliance requirements are included in most of the respondents' role descriptions (58,02%).

The project managers are usually seen as role models for ethical values (57,20%) but the respondents are not necessarily encouraged to go to him/ her to ask advice or to raise their concerns (40,74%).

In almost half of the cases (41,98%) the organizations do not have a specific structure that handles ethical problems and the employees go to their managers or HR representatives, but that is not a problem because more than often (72,84%) team actions comply with the organizational code of conduct.

Most of the companies (53,91%) have only general correction mechanisms to manage ethical issues, not project specific ones (83,54%) and the established procedures usually regard serious deviations and smaller concerns are treated individually. The respondents do not feel encouraged to

use this reporting and disciplinary structure (46,50%); having said that, usually there is not the case.

In many cases the reporting procedures are not formally established (42,80%) and most of the respondents treat matters openly and in good faith (58,02%).

Up to half of the respondents (45,27%) are not sure if the ethical background is considered when assembling a team, but consider that in most of the cases the teams that they are a part of comply with the ethical processes and procedures in place (41,98%).

5.3. Common Biases

Deflections from the organizational values and Code of Conduct are seldom allowed tacitly by the firm (53,91%): if it comes as a response to the unethical behavior of another team member (11,11%), provided they are not illegal (60,49%), within limits of the rules for compliance (73,25%), if it helps the cause of the project (39,92%), if they come from a key stakeholder (40,32%), if they come from a trustworthy person (45,68%).

5.4. The PMI® Core Values

Responsibility

When it comes to projects more exposed to ethical concerns, team members are aware of it (65,02%) and of their roles in them (61,32%), but there is rarely the case of such projects.

Team members are integer and do not use their authority for other than to fulfill their responsibilities (45,27%) and try to put the interest of the team above personal gain (46,50%).

Decision making is always made with consideration to society's best interest by the interviewed project teams (80,25%). The questioned professionals do not say no to challenges and sometimes accept assignments that are not necessarily consistent with their background (48,15%), but they often realize the commitments that were accepted in time (67,49%).

If mistakes or omissions happen, often team members take ownership and corrective actions promptly (70,78%), and if others observe and communicate them to the appropriate body first (64,61%), the accountable team members always accept their responsibility and, if there is the case, any resulting consequences (65,84%); also they often inform themselves about and sustain the policies and/ or the laws that govern their work (39,51%).

Proprietary or confidential information are always safe with the respondents (80,25%).

Respect

56,38% of the respondents often inform themselves about the norms and customs of others in order not to disrespect them, and always try to listen to others' point of view (58,02%).

If a conflict or a disagreement were to appear, often the respondents address it directly (68,31%) and conduct themselves in a professional manner, even when it is not reciprocated (62,55%).

They never act in an abusive way towards others (47,74%).

The questioned team members said their colleagues would never show off the power of their expertise or position in order to influence the actions or decisions of others so that they would benefit personally at other's expense (64,98%).

They would also always respect the property rights of others (65,43%).

Fairness

Team members often demonstrate transparency in the process of decision making (70,37%) and they provide equal access to information to those who are authorized (71,60%).

The respondents constantly reexamine their impartiality and objectivity and are willing to take appropriate corrective actions (64,20%).

They are proactive and fully disclose any conflicts of interest to the appropriate stakeholders (41,98%), they refrain from engaging in the decision-making process and do not attempt to influence outcomes without an approved mitigation plan and/ or the consent of the stakeholders (47,33%).

Whenever such situation occurs, they apply all organizational rules without prejudice or favoritism (72,84%), they make opportunities equally available to all qualified candidates (64,20%), do not take any decisions based on personal considerations, favoritism, nepotism, bribery (46,09%).

Team members never discriminate (74,49%).

Honesty

The team members often seek to understand the truth (62,96%), they are truthful in their communications and conduct (54,32%) and they are timely (58,85%) and they often make efforts to create a safe environment for telling the truth (46,50%).

Whenever they make commitments and promises, they do it in good faith (44,03%), they do not try to deceive others and they do not permit others to do so (63,37%).

Even if the circumstances would sometimes allow it, the team members' behavior is honest and is not meant to confuse the issues (79,84%).

Team members do not have a dishonest behavior, especially with the intention of personal gain or at the expense of another (84,77%).

6. Conclusions

With the help of the 243 responses from professionals of all ages, backgrounds, experiences etc. that currently work in one or more projects, it became clear that not all companies find business ethics very important, although most of them offer trainings and standards that are sometimes even included in their employees jobs description, but almost never included in evaluations.

At the end of this research, the two hypothesis were validated:

①The instrument is applicable to any and all project management teams, regardless of their size, domain, level of education, location, culture etc. as all 243 subjects were able to respond the questionnaire.

②The overall level of ethics of the interviewed teams was high, as well as the number of companies that formalized their interest in business ethic, which results into a positive correlation.

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