# Project Management Topic 7.4 Ethics Importance and Support



#### 7.4.1 Team Exercise



# **Ethics Importance and Support**

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### **Ethical Issues in Project Management**

- Vendor selection
- Bribes
- Reporting progress
- Conflict of interest
- Others
- What are some other ethical issues?



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### **Vendor Selection**

- Improper vendor selection behavior
  - Influencing scoring models
  - Selective distribution of RFQ's
  - Not using or manipulating results of a selection model
- Steps to avoid vendor manipulation
  - Require a selection model built by a team of decision makers
  - Utilize an open bidding process
  - Periodically audit the selection results



### Bribes

Depending on your line of work you may be faced with one of the following situations:

- An indication that a bribe would "make things much better!"
- A hint that if a decision goes in their favor "you could benefit!"



#### 7.4.2 Roundtable Exercise

# **Bribes**

- How prevalent are bribes aimed at Project Managers?
- Do all bribes look alike?
- What about free lunch, sports tickets, and gifts at the Holidays?

#### Share your thoughts in roundtable discussion

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### **Progress Reporting**

- Beware of the following pitfalls
  - Overstating progress
  - Hiding problems
  - Tendency to shoot the messenger
- Communicate problems safely
  - Communicate problems early and often
  - Include potential solutions
  - Document and control the project



## **Potential Conflict of Interest Examples**

- Conflict related to a supplier competing for business on your project due to:
  - A relative working for the supplier
  - Financial interest in the supplier
  - Indirect benefit gained from a third party
  - Strong personal or social relationship
- Unreported perceived conflicts of interest can be damaging as well



#### 7.4.3 Simulation Exercise



## **Ethics**

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