

Why Project Ethics Matter

Leadership is built on trust. If that foundation is cracked, a project's future is in doubt.

By Michael O'Brochta, PMI-ACP, PMP

ONCE, when a long-term client displayed an ethical lapse, I told him it violated my standards. Then I withdrew as the manager of one of his largest projects. Instead of terminating my contract, the client changed his behavior and also increased his business with my consulting company.

Project ethics matter, and this year's 10th anniversary of the PMI Code of Ethics and Professional Conduct is a good time to reflect on that. Not only do ethics allow us to act in a way consistent with our beliefs, they're a key to executing projects successfully. This is because ethics lead to trust, which leads to leadership, which in turn leads to project success.

A recent study conducted by Vrije University Amsterdam found that the more a leader acts in a way that followers feel is appropriate and ethical, the more that leader will be trusted.

And when people trust someone, they're more likely to follow him or her. As James Kouzes and Barry Posner write in *The Leadership Challenge*, "It's clear that if people anywhere are to willingly follow someone—whether it be into battle or into the boardroom, the front office or the front lines—they first want to assure themselves that the person is worthy of their trust."

Once team members trust a project manager, they can begin to follow him or her. Establishing this leadership is key to solving a challenge that always bedevils project managers: managing people you don't have authority over.

In my case, the client saw me acting ethically, trusted me, then allowed my behavior to lead

him toward more ethical behavior—and a successful project.

BEWARE SHORTCUTS

For another example of this process, look at Volkswagen Group. Last year, the German automaker acknowledged manufacturing and installing software to defeat elements of the emission control systems in 11 million diesel-powered cars. It's a massive scandal, a legal quagmire and a huge lapse in ethics, for which the organization has apologized. Many customers

have lost their trust in the company. Stock prices and sales of Volkswagens fell drastically after the news broke.

In spite of such negative consequences, ethical infractions abound in the workplace, and employees confront only half of the unethical behavior they see at work, according to *Crucial Accountability: Tools for Resolving Violated Expectations, Broken Commitments, and Bad Behavior*.

Joseph Grenny, a co-author of the book, says the more often people choose to stay silent, the more likely it is norms will shift, ethics will decline and organizations will

suffer severe consequences. "While biting your lip may make your job easier in the short term, it does little to preserve productive working relationships and profitable organizations," Mr. Grenny said in a statement. "That's why it's in every employee's best interest to hold colleagues accountable for unethical behavior." **PM**



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