Chapter Ethics Exercise #1

Purpose:
1. Stretch your consulting ethical muscles and build ethical sensitivity
2. Better know you colleagues and appreciate the diversity of their experience and perspectives

Introduction:
The IMC USA mission is to promote excellence and ethics in management consulting. Because most ethical issues fall into the gray zone, we are not always even aware of the full issues surrounding the attitudes, behaviors and impacts of our comments and actions. This is a way to help us see the blind spots we all have. Through discussion of these scenarios, we get to know our colleagues, and ourselves, a bit better.

Instructions:
We’ll read out loud the scenario below. Discuss among yourselves at each table for five minutes considering the questions at the bottom of this page. We will give a one minute warning. Select a spokesperson to take 15 seconds to report your table’s conclusions. After all tables report out, we will spend a few minutes on discussion.

Sample Scenario:
A small business engages a consultant to advise it on marketing a conference. The terms of payment for consulting services are a bit flexible since the timing of conference registration and sponsor revenue is uncertain. However, the consultant is being asked to help locate and land sponsors and use their contacts to bring in registrants.

Fast forward a few months. Sponsorship and registration is well below projections. Consequently, the consultant has not yet been paid and is frustrated with the process. It is unclear to the client whether the consultant had the skills or experience to provide the services promised by the consultant. The client is unhappy with the poor conference outcomes and blames the consultant. The consultant has not been paid as anticipated, has been cut out of the project by the client, and has been told that the client has informed other members of the conference committee to not do work with the consultant until further notice.

Shortly thereafter, the client finds out that the consultant has been contacting all of the potential sponsors, disparaging the client in explicit terms, calling the client a liar, thief and unscrupulous businessperson. The client alleges an ethical violation

Questions to Discuss:
1. Is there anything to see here or is this just a contractual dispute?
2. Put yourself in both parties’ position. Has either party committed a breach of ethics?
3. What additional information, if any, do you need to make a preliminary judgment about this case?
4. What sections of the IMC USA Code of Ethics are relevant?
5. What do you recommend be done to resolve this issue?
All IMC USA members pledge in writing to abide by the Institute's Code Ethics. Their adherence to the Code signifies voluntary assumption of self-discipline. As the professional association and certifying body for management consultants in the United States, IMC USA requires adherence to this Code of Ethics as a condition of membership and certification. The standards of conduct set forth in this Code provide basic principles in the ethical practice of management consulting. The purpose of this Code is to help IMC USA members maintain their professionalism and adhere to high ethical standards in the conduct of providing services to clients and in their dealings with their colleagues and the public. The individual judgment of Members is required to apply these principles. Members are liable to disciplinary action under the IMC USA Rules of Procedure for Enforcement of this Code if their conduct is found by the IMC USA Ethics Committee to be in violation of the Code or to bring discredit to the profession or to IMC USA.

My Commitment to My Clients
1.0 I will serve my clients with integrity, competence, independence, objectivity, and professionalism.
2.0 I will mutually establish with my clients realistic expectations of the benefits and results of my services.
3.0 I will only accept assignments for which I possess the requisite experience and competence to perform and will only assign staff or engage colleagues with the knowledge and expertise needed to serve my clients effectively.
4.0 Before accepting any engagement, I will ensure that I have worked with my clients to establish a mutual understanding of the objectives, scope, work plan, and fee arrangements.
5.0 I will treat appropriately all confidential client information that is not public knowledge, take reasonable steps to prevent it from access by unauthorized people, and will not take advantage of proprietary or privileged information, either for use by myself, the client's firm, or another client, without the client's permission.
6.0 I will avoid conflicts of interest or the appearance of such and will immediately disclose to the client circumstances or interests that I believe may influence my judgment or objectivity.
7.0 I will offer to withdraw from a consulting assignment when I believe my objectivity or integrity may be impaired.
8.0 I will refrain from inviting an employee of an active or inactive client to consider alternative employment without prior discussion with the client.

My Commitment to Fiscal Integrity
9.0 I will agree in advance with a client on the basis for fees and expenses and will charge fees that are reasonable and commensurate with the services delivered and the responsibility accepted.
10.0 I will not accept commissions, remuneration, or other benefits from a third party in connection with the recommendations to a client without that client's prior knowledge and consent, and I will disclose in advance any financial interests in goods or services that form part of such recommendations.

My Commitment to the Public and the Profession
11.0 If within the scope of my engagement, I will report to appropriate authorities within or external to the client organization any occurrences of malfeasance, dangerous behavior, or illegal activities.
12.0 I will respect the rights of consulting colleagues and consulting firms and will not use their proprietary information or methodologies without permission.
13.0 I will represent the profession with integrity and professionalism in my relations with my clients, colleagues, and the general public.
14.0 I will not advertise my services in a deceptive manner nor misrepresent or denigrate individual consulting practitioners, consulting firms, or the consulting profession.
15.0 If I perceive a violation of the Code, I will report it to the Institute of Management Consultants USA and will promote adherence to the Code by other member consultants working on my behalf.

Approved by the IMC USA Board of Directors February 3, 2005x