

Chapter Ethics Exercise #3

Purpose:

1. Stretch your “consulting with integrity” muscles and build ethical sensitivity
2. Better know you colleagues and appreciate the diversity of their experience and perspectives

Introduction:

The IMC 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 exercise helps 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 **ten 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:

You have been brought in as a member of a consulting team, whose members are five other consultants you have known for almost a decade. Your project is to develop a data collection and market forecasting model for a new line of business for a regional manufacturer of consumer products whose principal market is new homeowners. You like your partners and the client sponsor, a former senior executive with a national consumer research firm. You are now halfway into a six month project, with your main deliverable, a market forecasting model and regional database, scheduled to be delivered in beta form in 30 days. You are a few weeks behind schedule because of difficulties developing a good methodology but you all think you can catch up in the next month.

In reviewing your team's work papers, you find that someone on your team (you can't determine who) has incorporated into your model without attribution some forecasting methods that were in common practice a decade ago. Furthermore, you find copies of what you know to be US census data that were used to calibrate the model, also without attribution. You are concerned that the client, with her lengthy experience in market research, won't trust your work product because it is built on what some would consider old methods and stolen data.

You are concerned about the ethics of this situation. You think that if you get caught by the client, your reputation will be badly damaged. Your first thought is to check your teaming agreement to see if you have legal protection, then you talk to several friends about what you should do. You begin to avoid your partners and client because of what you fear is about to occur.

Questions to Discuss:

1. Is there anything to see here or is this just the way research and product development work?
2. Put yourself in the client's position. What would she want you to do? What would you do?
3. Who should you talk with to clarify the situation?
4. What sections of the IMC USA Code of Ethics are relevant?
5. What additional information, if any, do you need to make a preliminary judgment about this case?
6. 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, 2005