



## **Can a Single Code for Professionals Promote Ethical Improvement in the Built Environment?**

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- The mere term “business ethics” has been called an oxymoron (Ferguson, 1994)
- ethics are applicable to business, on the grounds that business exists not solely to suit certain individuals, but because business serves society and, in addition, meets collective and social needs (Cohen et al, 1998).

- The most recent expression of this altruistic/social agenda has been evident in the promotion and regulation of sustainability and environmental aspects.
- codes of ethics can never be more than “window dressing” and thus self-serving as simply public relations efforts
- the problem that faces any professional community has been identified as being one of ethical quality control within the constituent organisations.

- SA The responses indicated that 100% of the construction managers questioned had either witnessed or experienced collusive tendering, with 88% of Quantity Surveyors in the same position
- USA construction industry related acts on transactions that they would consider unethical in the past year 84% answered yes and 34% said they had experienced unethical acts many times. 61% said that the construction industry was “tainted” by unethical acts.

- Respondents seemed to stop short of saying the industry was full of criminals – 44% disagreed that the construction industry was tainted by prevalent “illegal acts”. Quite where the line is drawn between illegal and unethical would have been an interesting follow up issue to explore

- people’s different understanding of what the rules are and what is right/wrong in any given situation. The example given in the paper is reverse auctions, where open tendering procedures are used and the winning tenderer is the one who gives the lowest price when the hammer falls.
- *“If your business decisions and motives were published on the front page of a large circulation newspaper the day after you make your decision, and you still feel comfortable, then do it”.*

- *“A contractor is free to do whatever is necessary to make money on a project, as long as he is observed to meet the terms of the contract he holds with the owner”*
- *“There is no ethical violation as long as the activity is within the contractual requirements. The contract must trump any social code of conduct in my view.”*

- What then can a single code offer? Professor Uff has been one of the leading lights in the creation of the code and describes it as “the first line of defence against corruption”(Uff, 2003)
- there would be an appreciable reduction in poor designs, shoddy workmanship, delays, claims, excessive charging, cost overruns and disputed claims (Thornton, 2004).”

- **The Statement of Ethical Principles**
- Ethical conduct is the compliance with the following ethical principles:
- **Honesty** - act with honesty and avoid conduct likely to result, directly or indirectly, in the deception of others.
- **Fairness** - do not seek to obtain a benefit which arises directly or indirectly from the unfair treatment of other people.
- **Fair reward** - avoid acts which are likely to result in another party being deprived of a fair reward for their work.
- **Reliability** - maintain up to date skills and provide services only within your area of competence.

- **Integrity** - have regard for the interests of the public, particularly people who will make use of or obtain an interest in the project in the future.
- **Objectivity** - identify any potential conflicts of interest and disclose the conflict to any person who would be adversely affected by it.
- **Accountability** - provide information and warning of matters within your knowledge which are of potential detriment to others who may be adversely affected by them. Warning must be given in sufficient time to allow the taking of effective action to avoid detriment.

- honesty
- Examples of dishonest behaviour are given as bribery, claims fraud, collusive tendering, kickbacks and the preparation of forged documents to support claims
- Fairness
- establishment of a duty of good faith

- Fair reward
- guidance to identify what information should ordinarily be provided with regards to risk allocation, scope of work, rate and valuation breakdown and claims details.
- Accountability
- This ethical principle can be simply put as having the ability to do the work one is hired for and to have the skills to which one professes

- Integrity
- His Honour Judge Thornton identifies that the heart of this issue is risk identification, management and assessment. He cites late or non-disclosure of information
- *Objectivity*
- Closely linked to the subject of integrity is the requirement for objectivity and the ability to avoid situations in which conflicts of interest may occur

- *Accountability*
- This ethical principle is linked to objectivity and integrity in that it deals with going further than the remit of your particular role to deliver what is required and the need on occasion to provide a warning or information

- In the writer's view the Statement of Ethical Principles has a good deal to commend it. It is comprehensive, concise and of universal applicability to the industry it seeks to ethically improve.
- be incorporated into rules of conduct of the professional bodies, into Standard Methods of Measurement and standard forms of contract.