

# **Consulting Ethics**

Lecture 8, Project Management and Consulting Practise Matti Rossi

# **Ethical principles for consulting**

Do no harm to your client.

Keep client information private unless the client or law requests otherwise.

Do not create dependence by you on your client, nor by your client on you.

Anticipate and avoid conflicts of interest (for example, representing two opposing interests at once).

Do not act in the official capacity as an advocate for your client.

Do not go beyond your own expertise.

Do not skip the discovery phase of consulting.



http://managementhelp.org/misc/ethical-consulting.pdf

## **Candidate Ethical Principles**

#### Golden rule:

Do unto others as you would have them do unto you

### Immanuel Kant's categorical imperative:

If an action is not right for everyone to take, then it is not right for anyone

## Risk aversion principle:

Take the action that produces the least harm or incurs the least cost

### **Example of code of conduct:**

http://www.techrepublic.com/blog/10-things/10-ethical-rules-for-it-consultants-and-contractors/



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## **Unethical behaviors**

Because the consultant offered guidance or advice that was well beyond their expertise, the client's organization implemented action plans that were destructive to the organization.

Consultant got advance knowledge of a transforming event for a company and passed the information to partners, who bought stock

Because the consultant wanted to help the overall community, the consultant told investors information that the client believed was being held in confidence between the consultant and client.



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## Case example

http://www.slideshare.net/Veronichka1984/arthur-andersen-collapse-15830838

What is in your opinion the key issue that led to Andersen's collapse?

What could have been done differently?

Do you have own experiences of unethical behavior in consulting?



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# Potential further ethical issues to think in consulting assignments

## **Privacy**

#### Surveillance

• <a href="http://arstechnica.com/tech-policy/2015/03/we-know-where-youve-been-ars-acquires-4-6m-license-plate-scans-from-the-cops/">http://arstechnica.com/tech-policy/2015/03/we-know-where-youve-been-ars-acquires-4-6m-license-plate-scans-from-the-cops/</a>

#### **IPR** issues

Data base utilization for wrong purposes Boundaries of work and personal life Computerized crime



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## **Technology Trends that Raise Ethical Issues**

Computing power doubles every 18 months

Rapidly declining data storage costs

Availability of drones and small high quality streaming devices

**Datamining advances** 

**Ubiquituous access** 

Use of social media data for marketing purposes

Changing privacy laws, especially GDPR

See more: <a href="https://blog.f-secure.com/past-present-and-future-of-gdpr-explained/">https://blog.f-secure.com/past-present-and-future-of-gdpr-explained/</a> and <a href="https://en.wikipedia.org/wiki/General">https://en.wikipedia.org/wiki/General</a> Data Protection Regulation



## **Discussion**

Which of the previous issues could rise from your current project in this course?



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