

Service Unbounded: A Contract Management Dilemma

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Abstract

Nathan O'Rourke's simple service contract became complicated when the contractor he was responsible for chose to work beyond the scope of the contract. Although he knew the contractor worked at risk with the best of intentions, there was a mess to clean up because the contractor continued to perform contractual duties beyond the period of performance outlined in the contract. O'Rourke had to decide the best course of action to take with his superior and with the contractor under his supervision. The incident had ethical and legal implications, considered the situation from both sides of the contract, and offered a glimpse of how challenging contract management can be. This decision critical incident is representative of a common ethical challenge faced by contract managers throughout all branches of government.

Learning Outcomes

In completing this assignment, students should be able to:

1. Examine ethical issues associated with contract management.
2. Predict how customer/contractor relationships may change over time.
3. Distinguish when outsourcing may or may not be appropriate.
4. Assemble best practices for project outsourcing.

Application

This decision critical incident could be used in MBA and master's courses in project management or contract management. It could also be used in general business ethics classes.

Key Words

project management, contract management, ethics, government contracting, outsourcing

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