

# **ENGINEERS RESPONSIBILITIES AND RIGHTS AND ETHICAL CODES**

## **4.1. COLLEGIALITY**

The term collegiality comes from the word colleague. It implies the respect shown to the attitudes, emotions, rights and expertise of colleagues with whom you work in cooperation. It can also be called comrade.

- It implies team spirit and a spirit of cooperation.
- It is the admiration and respect shown to a colleagues' expertise and devotion for work.

### **4.1.1. Features of Collegiality**

Following are the features of collegiality.

1. It is a virtue and a valuable aspect of character.
2. From a society point of view, collegiality has an instrumental value and helps in promoting professional aims.
3. The spirit of cooperation among engineers developed by collegiality supports one's personal efforts to act responsibly in tandem with others.
4. It strengthens one's motivation to live up to professional standards.
5. From a profession point of view, it defines the professional community as composed of several individuals pursuing the public good.
6. It promotes the community to have shared awareness of mutual commitment to professional ideals.
7. Sometimes, collegiality can also be misused or misinterpreted as developing group interest or degenerating into groupism.
8. It also may force the engineers to keep silence about corporate corruption.

### **4.1.2. Elements of Collegiality**

The important aspects of collegiality are: (i) Respect, (ii) Commitment and (iii) Connectedness.

### (i) Respect

Respect in collegiality indicates the following:

- Valuing one's colleagues for their professional expertise.
- Valuing one's colleagues for their dedication in offering service to the public through their profession.

For example, producing socially useful and safe products.

Collegial respect ought to be reciprocal i.e., it must be of mutual type.

### (ii) Commitment

It refers to sharing a devotion to the moral ideals inherent in the practice of engineering. Even though there is a fierce competition among the profession of engineers, they must share their ideas with one another for the betterment of the society.

### (iii) Connectedness

It is an awareness of being part of a cooperative undertaking created by shared commitments and expertise. Having a sense of connectedness promotes two things namely cooperation and support.

## 4.1.3. Techniques for Achieving Collegiality

Some of the techniques are now described :

**(i) Development recognition and articulation of shared values :** In many firms, one can identify a handful of partners who are central to the collegiality of the organization. The attitudes and shared values of these partners become critically important to maintaining the desired environment. Does the firm have leaders who represent a model of performance? Does the leadership or the firm talk about firm's values other than money? If the firm is really just about the business of maximizing income for its partners, how can it expect to retain the loyalty of its partners if it has a bad year or if there are opportunities in the market place for its partners to make more money? If the ties that bind are only economic.

**(ii) Vision :** An organizational vision or mission is important to a sense of well-being, and is the essence of a sense of purpose. A firm's vision could well be "we want to remain a twenty lawyer firm practicing in insurance defense work in X area". A firm in which there is no agreed purpose, or dramatically different visions of the firm in constant unresolvable tension, can easily become uncollegial.

**(iii) Defining expectations :** Discord within a firm frequently arises because of disappointment at unfulfilled expectations. Frequently, the expectations which become disappointments are also uncommunicated in the first instance. Without undue rigidity, it is important to establish and articulate the criterion of what it means to be a partner in your firm. What overall time commitment is expected? What general billable hour commitment is expected? What time commitment for business development is expected? Whether there is a minimum expectation for all partners, or whether there are tailored expectations, is less important than having communications about agreements over the general expectations.

**(iv) Compensation :** There are two distinct aspects of compensation which impact on collegiality: one is the profitability of the firm and the other is how profits are distributed. If a firm cannot achieve reasonable profitability on a per partner basis, great pressure is placed on the distribution process. Management's role is not only to encourage the steps which produce reasonable profitability, but also to manage expectations so that they will be in line with profitability.

A compensation system should : (a) motivate partners to perform in ways that maximize firm profits and to cause the firm to achieve its other objectives; (b) reward performance and contribution; and (c) solidify the ties with partners who are critical to the ongoing success of the institution. Fairness as an abstract concept is probably less important than rewarding (keeping happy) those partners who are vital to the preservation and success of the venture.

**(v) Partner Evaluations :** Critical self analysis, done in a constructive and positive spirit, can be useful and affirming. Partner evaluations can be used to deliver otherwise hard to deliver messages, and to communicate praise and appreciation; they can also serve as a legitimate channel by the law firm's leadership to receive information, complaint and suggestion. Not all firms need the formality or structure of partner evaluations to have the back and forth that would occur through such evaluations. Firms which neither have evaluations nor open communications of the type which would occur in evaluations, risk smouldering unhappiness and may lack the information to know what is going wrong.

## 4.2. LOYALTY

Loyalty is more than obligation or duty, which are more specific. Obligation and duty are more formal responsibility oriented. Their base is legal and positional. Loyalty is more a function of attitudes, emotions and a sense of identity. People may hate the job that they do and not like their employer, but they would still perform their duty as long as they are employees. They may be automatically considered loyal to that is a more desirable character attribute.

This definition is useful because it tries to define the scope of activities a loyal employee should fulfill, as well as emphasize that the employee should work for the benefit of the company. Asking an individual to perform illegal activities for a firm would not be to the firm's long-term advantages since any illegal action would ultimately harm the firm.

### **4.2.1. Types of Loyalty**

There are two types of loyalty namely :

- (i) Agency loyalty
- (ii) Identification loyalty

#### **(i) Agency Loyalty**

When a person fulfills his contractual duties to his employer is said to have agency loyalty. It is purely a matter of action irrespective of its motives. In simple words, this can be explained as follows:

Acting to fulfill an individual's contractual duties to an employer, such as tasks for which one is paid, cooperation with colleagues and obeying the rules of authority within the company.

## *(ii) Identification Loyalty*

It is concerned with the attitudes, emotions, and a sense of personal identity. It includes willingness to meet moral duties, with attachment, conviction, and trust with employer. The attitude loyalty is more a virtue than an obligation. This type of loyalty is all right when the organizations work for productivity or development of community. Working together in falsification of records or serious harm to the public, does not merit loyalty. Further, with frequent takeovers or merger resulting in large-scale layoff, employees find it difficult to maintain attitude-loyalty.

Identification loyalty may be said to be obligatory if it fulfils the following conditions.

- Employees must be sure of their goals and that they are achieved with the help of the group in which they work.
- Employees must be treated in a fair and just manner.

### **4.2.2. Two Sense of Loyalty**

#### *Obligations of Loyalty*

Loyalty based on personal identification is obligatory when two conditions are met. First, employees must see some of their own important goals as met by and through a group in which they participate. Typically, these goals include the pleasures of affiliating with the group, recognition from the group that one's contributions are valuable, and a sense of worth and accomplishment in pursuing the goals of the group. Second, employees must be treated fairly, each receiving (roughly) his or her share of benefits and burdens once these conditions are met, employees acquire obligations to identify with groups and sometimes to support groups in particular ways.

#### *Misguided Loyalty*

Employees can harm companies and the general public by the name of loyalty. This loyalty is designated as misguided or inappropriate loyalty. Loyalty does not mean just obeying the orders of higher authorities. It has to bring facts and employees do not manipulate or hide facts thinking that it is an act of loyalty and it is good for the company.

### **4.2.3. Professionalism and Loyalty**

1. Acting on professional commitments to the public is more effective to serve a company than just following company orders.
2. Loyalty to employers may not mean obeying one's immediate supervisor.
3. Professional obligations to both an employer and to the public might strengthen rather than contradict each other
4. Agency loyalty or identification loyalty depend upon the specific group, organization and also the circumstances under which they are shown.
5. Loyalty is a dependent virtue that is depending upon value of the project and on the communities surrounding it.

## *Engineers Responsibilities and Duties*

### 4.2.4. Uncritical Loyalty

Uncritical loyalty to an employer may be defined as placing the interests of the employer above any other consideration. These interests are as defined by the employer himself and, hence, may be binding on the employee to be obedient to his boss and do as the boss directs irrespective of the consequences of the decision.

Hence, this is also called blind loyalty.

### 4.2.5. Critical Loyalty

By contrast, this loyalty makes the engineer analyze the management's decision, which he has to implement with reference to the good or bad consequences of this decision, and enables him to put forward his view point to his bosses, so that the decision can be modified to an optimal one. Here, the engineer is neither disobedient nor disloyal to his boss, but being a technical person is aware of the consequences of the decision on the safety and welfare of community in general and does not want the overall reputation of the company to be affected.

## 4.3. CONFLICT OF INTERESTS

A conflict of interests occurs when the independent judgment of a person is *swayed, or might be swayed, from making decisions in the best interest of others who are relying on that judgment*. An executive or employee is expected to make judgments in the best interest of the company. A director is legally expected to make judgments in the best interest of the company and its shareholders, and to do so strategically so that no harm and perhaps some benefit will come to other stakeholders and the public interest. A professional accountant is expected to make judgments that are in the public interest.

Decision makers usually have a priority of duties that they are expected to fulfill, and a conflict of interests confuses and distracts the decision maker from that duty, resulting in harm to those legitimate expectations that are not fulfilled. This situation is pictured in Figure 4.1, where a decision maker (D) "has a conflict of interest if, and only if, (1) D is in a relationship with another (P) requiring D to exercise judgment in P's behalf and (2) D has a special interest tending to interfere with the proper exercise of judgment in that relationship."

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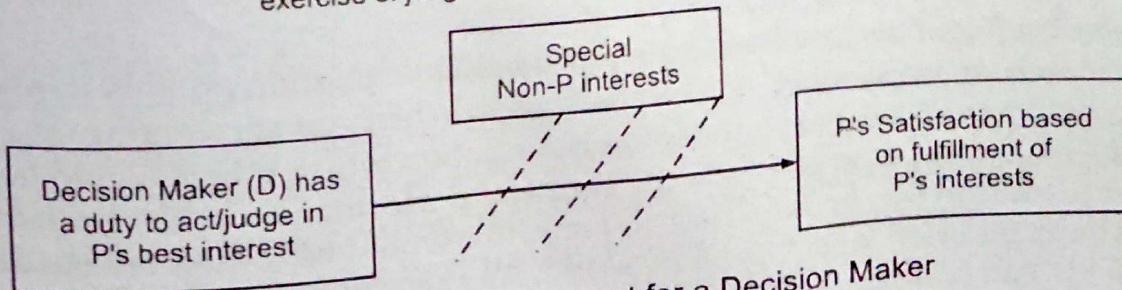


Fig. 4.1. Conflict of Interest for a Decision Maker

A special or conflicting interest could include "any interest, loyalty, concern, emotion, or other feature of a situation tending to make D's judgment (in that situation) less reliable than it would normally be, without rendering D incompetent. Financial interests and family connections are the most common sources of conflict of interest, but love, prior statements, gratitude, and other subjective tugs on judgment can also be interest (in this sense).

#### 4.3.1. Types of Conflicts of Interest

Mike Martin et al categorize conflicts of interest into three kinds :

(a) *Actual conflicts of interests*: It is the loss of objectivity in decision-making and inability to faithfully discharge one's professional duties to the employer. Moonlighting is another situation that may cause an actual conflict of interest. Moonlighting refers to the act of a person working in another company apart from his original company. The second one may be on part-time basis during the evenings. Because the person returns home from his second employment during late night hours, it is called moonlighting.

(b) *Potential conflicts of interest* arise when there are no pre-set outside interests for the engineer as illustrated above, but he is motivated by gifts or bribes to influence his professional judgment. This is called potential since the judgment is based on the receipt of the bribe.

(c) *Apparent conflicts of interest* may happen even when the engineer's professional judgment is not corrupted, but the public had formed a negative opinion about him in view of certain developments.

#### 4.3.2. Reasons for Conflict of Interest

Employees have various obligations to their employees. Conflicts of interest arise when employees have a personal interest in a transaction substantial enough that it does, or might reasonably be expected to lead them to act against the interests of the organization. Conflict of interests arises due to : (a) Financial investments, (b) Insider Trading, (c) Bribe, (d) Gifts, and (c) Kickbacks. Let us look at each one of them briefly:

1. *Financial investments*: Conflict of interests will arise because of financial investments in a competitors' or subsidiaries business. Unethical decisions are taken because of personal or organizational interest. For example, if you are an engineer and chief executive of a firm and another firm which has bid for a large project of your company. You have a financial stake in that firm which has bid for it. You have to decide to whom to award the contract? The tendency will be to award the bid to the company where you have stakes. Is it ethical? Under what situation it will be regarded as an ethical decision?

2. *Insider trading*: This involves using privileged information unfairly. It may be done deliberately or innocently by slip of the tongue. When you are working for a company, you could have access to confidential information which others would not be privy to. If such information relates to the financial performance of the company and you use it to trade in the shares of the company, this would be considered insider trading. This happens often in the corporate world. As a senior executive of the company, is it right for you to do this? Is it ethical or unethical?

3. **Bribes:** A bribe is a substantial amount of money or goods offered beyond a stated business contract with the aim of gaining an advantage. Bribes are generally given in secret. Bribes are illegal or immoral because they threaten fairness in competitive situations. Bribes are substantial unlike gratuities which are of smaller amounts. Traditionally, certain types of gratuities have been recognised as legitimate in the normal conduct of business, while others can bias judgment like a bribe does.

4. **Gifts:** Often, whenever vendors visit their clients' offices, they offer some gifts to the staff. The recipients, especially the new employees cannot know if that was offered as a bribe or a simple gift, and are faced with an ethical dilemma of whether to accept or not.

A "gift" demanded is a bribe not a gift.

5. **Kickbacks:** Kickbacks are undisclosed payments made by vendors to employees of purchasing companies. The purpose of a kickback is usually to enlist the corrupt employee in an overbilling scheme. Sometimes vendors pay kickbacks simply to get extra business from the purchasing company. Bid-rigging schemes occur when an employee fraudulently assists a vendor in winning a contract through the competitive bidding process.

Kickbacks are classified as corruption schemes rather than asset misappropriations because they involve collusion between employees and vendors: in an asset misappropriation, no outsiders are knowing participants. In a common type of kickback scheme, a vendor submits a fraudulent or inflated invoice to the victim company and an employee of that company helps make sure that a payment is made on the false invoice. For his assistance, the employee/fraudster receives some form of payment from the vendor. This payment is the kickback.

#### 4.3.3. Avoiding Conflicts of Interests

- Taking guidance from *Company Policy*.
- In the absence of such a policy taking a *second opinion from a coworker or manager*. This gives an impression that there is no intention on the part of the engineer to hide anything.
- In the absence of either of these options, to *examine ones own motives and use the ethical problem solving techniques*.
- One can look carefully into the professional codes of ethics which uniformly forbid *conflicts of interest*. Some of these codes have very explicit statements that can help determine whether or not the situation constitutes conflict of interest.