



National Society of Professional Engineers®

Final Report of the NSPE Ethics in Employment Task Force

The National Society of Professional Engineers believes that employed engineers have an obligation to their profession, their employer, and the public to make known ethical concerns in the workplace. NSPE believes that in order to establish a healthy professional working environment, it is vital for the following conditions to exist in the workplace:

An atmosphere of trust between the employer and the employee

An empowering environment where employees feel secure in raising and seeking the resolution of sensitive issues

An absence of fear of employer retribution against employees for raising and seeking resolution of sensitive issues

NSPE believes employees should raise and seek resolution of issues in a professional manner, and that employers should respond in a way that permits timely and effective resolution of those issues without damaging the reputation of the employee or the employer.

The Path to Resolution of an Ethical Dilemma In Employment

The consequences of an employee making a misstep in notifying his or her employer of an ethical and/or safety situation within the company is currently a concern to many employed engineers. The fear of losing one's job and the consequences that obviously flow from that loss are very real. The possibility of litigation and its effect on one's personal and professional life can be overwhelming. As the engineer moves up and establishes credibility within a company, the consequences of a misstep may be lessened but are still of serious concern.

Most companies understand these concerns and have developed opportunities for an employee to raise issues without fear or apprehension. Bringing these issues to the attention of management has become mandatory in many companies. In fact, in some companies, an employee may be terminated for not reporting a professional concern or problem to management. At least one company states in its company policy that an employee will be protected from retribution, whether or not the employee's report was accurate, as long as the report was made in good faith.

The path to resolution of professional concerns is not nearly as clear in companies that have not developed policies and procedures on reporting unethical, illegal, or safety matters. However, this fact alone does not necessarily release the licensed engineer or engineer of their responsibility to themselves, their company, or to the public to address the issue in a professional manner.

In fact, a licensed professional engineer is generally required by state laws and regulations to act for the protection of the public health and safety. While in most states engineers in industry are exempt from

licensing laws for work done for their industrial employers, the engineer and the engineer's company may still be liable for unethical, unsafe, or illegal activities.

The 1991 Federal Sentencing Guidelines also offer compelling reasons for companies to develop improved corporate ethics programs. Moreover, corporate fines and the damage to a company's reputation and bottom line for ethical lapses can be staggering. Lynn Sharp Paine, an associate professor at the Harvard Business School who specializes in management ethics and who authored "Managing for Organizational Integrity," published in the Harvard Business Review (This article may be purchased for \$5.50 at www.hbsp.harvard.edu/products/hbr), has identified the serious consequences to an organization for management that does not require ethical behavior of its employees.

Seeking Advice and Reporting Concerns & Violations

NSPE believes the following three principles form a foundation for employees facing an ethical dilemma:

When faced with an unethical business conduct or a legal question, the employee has a right and an obligation to seek advice and guidance as necessary to resolve the employee's concern or question.

The employee has an obligation and a responsibility to promptly bring to the company's attention any actions, situations, or conditions that the employee believes are or may be violations of the company guidelines or the law.

As a licensed engineer, the employee has an obligation to protect the life, health, and property of the public.

The representatives of the three companies that helped to develop this document all consider unethical behavior by a company employee to be very damaging to their company's reputation. All three companies encourage employees to bring improper situations to the attention of supervisory management.

The first action an engineer faced with an ethical dilemma should take is to obtain a copy of his or her company policy, read it thoroughly, and proceed in a manner consistent with the company policy. If action is required, the engineer should then go to the appropriate individual within the department for advice on further action.

If there is no company policy, or if the policy does not address the particular concern, the employee should get advice from a person in the company that the employee trusts. That person should be in a position to assist the employee in the proper handling of the situation. Some possibilities, as appropriate, are:

*Any member of supervisory management
Legal Department
Corporate Compliance Administrator
Personnel
Corporate Security
Ethics Hot Line (1-800-888-XXXX) if available*

In the event that there is no company policy or no one within the company with which the employee is comfortable discussing the matter, the employee should turn to a trusted and respected professional in the community for advice in properly handling the situation.

NSPE is an organization consisting of licensed professional engineers and engineering graduates from Accreditation Board for Engineering and Technology/Engineering Accreditation Commission programs

from all engineering disciplines. For that reason, NSPE is uniquely suited to assist engineers in a wide range of ethical matters. Resources available through NSPE include:

Licensed engineers (members) who can lend their experience to the situation;

The NSPE Board of Ethical Review, which consists of NSPE members knowledgeable in ethical matters who may review cases and could provide an opinion or an interpretation.

An additional resource for licensed engineers is their state engineering licensure board staff, who may be a valuable source in providing information on how to handle the situation appropriately and ethically. State engineering licensure board staff also may provide the licensed employee with advice on how a situation would be addressed under the board's jurisdiction.

If all other actions fail, the employee may need to consult a private attorney. The attorney may advise the employee on a variety of matters (e.g., what legal options are available, what legal obligations the employee may have, whether the employee should resign or remain on the job, etc.). A private attorney has an obligation to act and advise solely on the employee's (client's) behalf and will maintain the employee's (client's) confidentiality.

Other Questions to Consider Before the Employee Takes Action:

Is my action in compliance with all applicable local, national, and international laws?

Is my action in keeping with the values of the company I am employed by?

Is my action honest and fair in every respect?

Will my action be viewed positively if it becomes known to my supervisor, coworkers, friends, or subordinates?

Will my action reflect positively on my company and me if it is disclosed in the newspaper or other media?

Is my action in compliance with company policy, procedures, or principles?

If the employee answers "yes" or "true" to all questions, and the employee follows company procedure in making known the concern, the employee is acting ethically and is probably in compliance with the company's policy. If the employee answers "no" to any of the questions, or if the employee determines that "it just doesn't feel right" to take action, the employee should seek further advice. The advice should come from a supervisor the employee trusts or another resource in the company if it is available. The employee should only seek assistance outside of the company when all available resources within the company have been exhausted.

Note: Although this document uses the term "Company" to refer to the employer, the document may also apply to other public or private employers including government and educational institutions.

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