

Advisory Board

A case study for use in teaching in Engineering Ethics

Abstract

This scenario examines how membership of an advisory committee might lead to a conflict of interest.

Teaching Format

1 hour session, small group discussions

Practicalities

This session is aimed at students who have not studied ethics before.

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Relevant Ethical Concepts & Issues

- Conflict of Interests
- Integrity
- Public Duty

More information about these concepts and issues can be found in the 'Glossary for Engineers' document

Partners in producing this resource

Advisory Board

Ofcom is the watchdog for the communications industry. The role of Ofcom is encapsulated in its principal duty which is:

“to further the interests of citizens in relation to communications matters; and to further the interests of consumers in relevant markets, where appropriate by promoting competition”

Ofcom has an advisory board whose role is to inform and advise them about any issues they feel are relevant to its effective operation. These issues can be very diverse; the board give Ofcom any information that they feel Ofcom is missing, and they advise Ofcom of anywhere in their operation that they feel Ofcom may be going wrong. The board is not paid for the work it does but members are required to attend one meeting every eighteen months. The board are free to set the agenda for these meetings so that they can discuss the issues that they feel are important. There are thirteen members of the board comprising of engineers, technologists and economists from across the communications industry, mainly from the private sector.

In order to fulfil their duty of ‘furthering the interests of citizens’ Ofcom often employ outside consultants to investigate and research different aspects of technology and policy. For example, new technologies need to be tested for whether they can deliver the promises the manufacturer makes and whether there are spectrum use issues surrounding it. With respect to policy issues, consultancies are often drafted in to help auction parts of the radio spectrum; producing information packs for potential bidders and designing appropriate software to ensure the auction runs smoothly. Ofcom spends £5-10 million on consultancy work per year, with the average tender being worth around £250,000.

Many of the people on the advisory board work for companies who could be considered for consultancy work. They are members of the board precisely because they are experts in their field and therefore the kind of people best placed to advise Ofcom.

Questions

- (i) What is meant by ‘objectivity’ and ‘integrity’? Come up with three suggested definitions for each of these terms.
- (ii) Why might objectivity and integrity be an issue for Ofcom and members of the advisory board in this situation?
- (iii) What should Ofcom do about this situation? Is the best thing to do to dissolve the advisory board?
- (iv) Ofcom is a public body supported by government funding. Does this make a difference to the kind of behaviour that is expected of them? Why?

Tutor Notes

This case study works well as an introduction to ethics for engineering students who have never studied ethics before. It involves discussing the concepts of objectivity and integrity, and how these concepts might be relevant to conflicts of interest. The need for engineers to act with objectivity and integrity is often included in codes of conduct but it is sometimes unclear how to apply these standards in a practical situation. This case study demonstrates how judgements concerning objectivity and integrity can be difficult to make and so highlights the need for codes of conduct to be carefully thought about, rather than followed unthinkingly. To begin with, students should be given time to read the scenario, then split into small groups of 5-8 people to discuss the questions. Groups should be given 5-10 minutes to discuss each question in turn. You should then lead a discussion, going over their answers to this question before repeating this process with the other questions. Below are summaries of the kinds of answers to expect and the ethical issues that will be raised in relation to each question. These can be used to prompt further discussion and are also given in brief on the student handout. The handout can be used as a basis for concluding the case study and should be distributed to students at the end of the session.

- (i) What is meant by ‘objectivity’ and ‘integrity’? Come up with three suggested definitions for each of these terms.**

Suggested definitions for objectivity might be: impartiality, detachment, keeping one's feelings separate. Being objective involves the true representation of facts as they are, without any ‘spin’; it also involves being free from prejudice or bias. Freedom from bias is not simply a matter of putting one's feelings to one side; it also requires the exercise of professional judgement. Being unbiased means disregarding considerations which are irrelevant to the decision in hand and so judgement must be used in order to separate relevant from irrelevant considerations. For example, being unbiased when hiring someone for a job means disregarding irrelevant qualities of the candidates such as age, race or gender; it doesn't mean disregarding qualities such as organisational and communication skills, for example. Excluding age, race and gender from consideration requires being able to explain (quite easily in this case) how these qualities are irrelevant to someone's ability to do a job. In an engineering scenario, being unbiased will involve a similar exercise of judgement; deciding which facts need to be presented to a client and which do not, in order for them to be able to make an informed decision, for example.

Integrity is a difficult concept to pin down and as such there is no one correct definition. Suggestions could include: sticking to your principles; the coherence of word and deed (the opposite of hypocrisy); standing for something; a collection of qualities (including honesty & trustworthiness). The last suggestion indicates that integrity has a morally praiseworthy overtone. To take an extreme example, Hitler arguably displayed ‘integrity’ in the sense of standing for something and sticking to principles; it just so happened that what he stood for, and the principles that he stuck to were morally repugnant. To say that Hitler was a man of integrity is preposterous so obviously integrity must involve something more than adherence to principles. It seems as if this ‘something more’ must involve standing for causes which are morally praiseworthy, or sticking to principles which are admirable; this is why people like Nelson Mandela have integrity and Hitler, for example, does not.

- (ii) Why might objectivity and integrity be an issue for Ofcom and members of the advisory board in this situation?**

The board are ‘employed’ by Ofcom in the capacity of independent advisors and they are chosen because of their high level of expertise in their field. Board members are also free to set their own agenda which means that they can draw Ofcom's attention to any issues they feel are relevant; including those in which the companies they work for may have a significant interest. This consideration coupled with the fact that Ofcom spends money on consultancy work, means that board members are in a position to influence the contents of meetings in such a way that their own companies may benefit. Objectivity and integrity are an issue here because board members need to take extra care that, in their

role as advisors to Ofcom, they are giving genuinely impartial advice (objectivity) and that they are not using membership of the board to further their own interests (integrity). Ofcom's situation is a prime example of a conflict of interest which is defined in the following way: "Situations where professionals have an interest that, if pursued, might keep them from meeting their obligations to their employers or clients." (Martin & Schinzinger (2000), p.149) In this case, members of the board have an interest in their own companies doing well and this interest may prevent them from meeting their obligation as advisers to Ofcom: to provide impartial advice and to set the agenda of the meetings in order to address the interests and needs of the public, rather than the needs of business.

Conflicts of interest are not in and of themselves immoral, but many companies write into their codes of conduct that conflicts of interest should be avoided so, for example, employees may be forbidden from sitting on advisory boards, or from owning shares in other companies. This is because, although conflicts of interest do not necessarily lead to immoral behaviour, they do have the potential to distort good judgement, and the role of the professional engineer is to demonstrate good judgement. Conflicts of interest can also violate trust which is an important element of many working relationships; if clients discover that engineers who are advising them may have conflicting interests then their faith in the advice of those engineers will be diminished. This demonstrates that even the appearance of a conflict of interest can be damaging to the reputation of an individual or a business.

(iii) What should Ofcom do about this situation? Is the best thing to do to dissolve the advisory board?

There seems to be a genuine dilemma here: The conflict of interest arises because the companies represented by members of the advisory board may be the very same companies that Ofcom will want to employ for consultancy work. If Ofcom want individuals of the highest expertise and calibre on the advisory board and the highest quality consultancy then this possibility is made more likely. The dilemma is that Ofcom can resolve the conflict of interest by either employing 'second best' board members or second best consultants; neither of which is desirable. Clearly, dissolving the advisory board is an option, but this would mean that Ofcom then loses a very useful tool; the advisory board allows Ofcom to keep abreast of current issues and often to be ahead of the market by being made aware of cutting edge new technologies by those working in companies developing these technologies. Dissolving the advisory board would certainly diminish Ofcom's ability to fulfil their role of furthering the public interest.

It is this central responsibility of 'furthering the interests of citizens and consumers in relation to communication matters' that should be kept in mind when trying to solve this dilemma: the correct response to the problem is that which allows Ofcom's primary duty to be fulfilled without compromising other moral standards. Clearly, both the advisory group and the consultancy work greatly assist in the fulfilling of Ofcom's duties so they should be retained if possible. A sensible solution to the problem seems to be to put measures or regulations in place to ensure that membership of Ofcom's advisory board does not place individuals in situations where they may be tempted to compromise their integrity or objectivity, or where it is made easy for integrity and objectivity to be compromised. These measures could include: ensuring that the tendering process for consultancy work is transparent and robust - that members of Ofcom who are perhaps unconnected with the work of the advisory board are invited to take part in choosing from various bids, for example; careful selection of board members, as those who have excellent reputations as highly professional individuals can be trusted not to use their membership for their own purposes.

(iv) Ofcom is a public body supported by government funding. Does this make a difference to the kind of behaviour that is expected of them? Why?

Students' intuitions should lead them to answer 'yes' to this question; we do expect higher standards of behaviour from politicians, councillors and other public servants than we do from other individuals such as businesspeople. It is often difficult to articulate why this is: if something is morally wrong then we ought to expect everyone to refrain from doing it, whether they are a politician or not. Why is it that 'high' moral standards should only apply to those who work in the public sphere? It is easier to answer this question by looking at the responsibilities that the public servant has which may differ from the duties that other businesspeople have. The primary function of public bodies is to serve the public interest and promote the public good. The activities of governments and other public bodies should therefore be directed at all times to promoting this public good. The primary function of other businesses, however, is not necessarily to serve the public good. Usually, businesses aim to make money for shareholders or directors by

producing goods and services. Businesses are still bound by moral principles; they must conduct their business fairly and honestly, but it is legitimate for businesses to be self-interested in a way which it is not legitimate for public bodies to be. It is now clearer why 'higher' moral standards apply to public bodies; the public interest must be paramount at all times and so any activity which may detract from the public interest is unwarranted. Other businesses, however, do not serve the public and so can legitimately pursue more self-interested ends. While conflicts of interest may occur in any kind of role, it is more important that they are avoided in the public sphere: what is at stake in the case of public bodies is that the interests of individuals may prevent them from serving the public effectively. Because the interest of the public far outweighs the interests of individuals it is essential that such conflicts are avoided. The public also rely on public bodies and place their trust in them in a way that they do not with private businesses. Public bodies therefore have a duty to uphold and repay this trust by maintaining the highest of ethical standards. More practically, public bodies are funded by taxpayers themselves. It is essential therefore that the activities of public bodies are aimed always at improving the quality of life for the public.

After the questions have been discussed, it is time to **conclude the lesson**. The student handout can be given out which indicates the main themes that this case study should raise. You can talk through the handout just to reiterate what has been discussed or if time is pressing, give it to students to take away and read themselves. If this is the first time that students have encountered ethics then you may wish to talk briefly about what ethics is. This is much easier to do after students have had some experience of the subject. A definition of ethics is given on the handout and you can mention how this case study involved identifying what principles of behaviour applied to public bodies and why these principles differed from those applied to other businesses.

You may wish to end with a brief comment about codes of conduct. Often, students are tempted to think that knowing ethics just means knowing what the rules of conduct are. However, many codes of conduct are very general and say things like 'act with integrity and objectivity'. Ethics furnishes students with the skills to understand and apply these codes of conduct in specific situations so it is important to learn about ethics before entering the world of work. It may be useful to give students a copy of the code of ethics for the relevant engineering institution to take away with them. (See 'Further Reading' section for references)

Student Handout

This case study explored how objectivity and integrity are important qualities for professionals to possess, and how conflicts of interest can threaten objectivity and integrity. It also examined how we expect high moral standards from those working for government or other public bodies and why this is.

Objectivity

- The true representation of facts
- Keeping ones feelings separate - detachment
- Impartiality; freedom from prejudice or bias (requires judgement)

Integrity

- Sticking to your principles, standing for something
- Coherence of word and deed - opposite of 'hypocrisy'
- A collection of qualities (honesty, trustworthiness)
- Moral or ethical?

Objectivity and integrity are central to ethical behaviour. They are also standards that are often mentioned in the codes of conduct of individual companies as well as professional institutions.

What are Conflicts of Interest?

“Situations where professionals have an interest that, if pursued, might keep them from meeting their obligations to their employers or clients”

Martin & Schinzinger (2000), p.149

Examples: Owning shares in a rival company, working as an independent consultant as well as working for a company, having friends or family in rival firms.

What's wrong with Conflicts of Interest?

- They have the potential to distort good judgement
- Conflicts of interest can violate trust
- Even the *appearance* of a conflict of interest can be damaging

The Role of Public Bodies

- They have the potential to distort good judgement
- The role of professional engineers requires good judgement
- Conflicts of interest can violate trust
- Even the appearance of a conflict of interest can be damaging

What is Ethics?

- The study of the principles, rules and considerations that inform our moral judgements - judgements about what is right or wrong.
- Looking at whether we have good reasons for our beliefs about what is right and wrong by analysing those principles, rules and considerations.

Further Reading

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- Harris, C., Pritchard, M. & Rabins, H. (1995) *Engineering Ethics: Concepts & Cases*, New York: Wadsworth. Chapter 2.

Newspaper/ Web Articles

- Royal Academy of Engineering's Statement of Ethical Principles: http://www.raeng.org.uk/policy/ethics/pdf/Statement_of_Ethical_Principles.pdf
- Link to Institute of Mechanical Engineers code of conduct: <http://www.imeche.org/membership/ethics/home.htm>
- Institute of Chemical Engineers: www.icheme.org
- The Institute of Engineering and Technology (for electrical and electronic engineers): <http://www.theiet.org/>

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<http://www.engsc.ac.uk/downloads/scholarart/ethics/advisoryboard.pdf>