

BAM Management Consultancy Network Coffee Chat 8:30 -9:30 25th May 2022

Chair: Dr Claire Brewis

Topic: How can ethical practice be sustained within the commercial environment in which consulting services are sold and delivered?

- Serious implications for consultants and firms using unethical practices leading to prosecutions and high profile media campaigns. Examples given: <u>Carillion</u> and <u>Shell</u>. Same ethical pressures on smaller consultancies.
- Lack of mandatory ethical code of conduct; condition of professional membership bodies?
- Large consultancies have pushed back against mandatory guidelines on the basis that reputations contains certain values. Low barriers to entry to the profession impacts ethical standards.
 - Proposal to contact Institute of Management Consultants Association & Management Consultancies Association to ask about their position on ethical codes of conduct.
- Consultancy version of Hippocratic oath do no harm (Poulfelt, F., 1997. Ethics for management consultants. Business Ethics: A European Review, 6(2), pp.65-70).
- Values of organisation may reflect ethics e.g. transparency, honesty- clients accept them at face value. Firms seek trusted advisor and may select firm with cultural fit, even if the consultancy activity doesn't fit consultants skillset.
- Sustainable practice means firms continuing to improve themselves.
- Difference between moral and ethical aims? Examples given: McKinsey's role in opioid crisis. Should consultants work for clients whose interests aren't ethical?
- Consultants can experience moral dilemmas in service of their clients; employee moral perspective may differ from that of their employer in serving clients. What is the impact of firm level ethical standards on individual consultants?
- Understanding our own ethical boundaries. Adhering to a personal code of conduct. What is
 the individual's capacity to walk away? Organisations culture may dictate employees
 acceptance of specific ethical practices. Mentioned concept of virtue based ethics. Absolute
 standards vary, adhere to personal ethics practice. Discussed adapting our ethical standards
 do we have multiple sets of standards?
- Staying in business achieves long term sustainability- how do ethical standards sustain the
 consultancy business. There can be pressure to compromise ethics to secure income &
 sustain business.
- Discussed business schools supporting code of ethical conduct and management research, reflecting ethics relating to commercial businesses, as well as generic ethical review.
- How do consultants compete with others with different ethical standards? Having integrity; ensure ethical principles are embedded, illustrated and evident; being trusted; giving advice that is heard by the client; finding a way to advise so integrity of advice can be heard.
- Consultant's role is advice & guidance and to coach people to take a different perspective including changes in ethical standpoint.

Additional news:

BAM Management Consultancy Network provides an opportunity for members to get involved with the **Centre for Management Consulting Excellence** (CMCE). This month CMCE are seeking nominations for papers for the CMCE Research Awards (see attached). The deadline for nominations is 3 July 2022. The Centre is also inviting interest from those with professional consulting experience to join the Awards judging panel. Contact karol.szlichcinski@cmce.org.uk