Ethics for Projects Controls professionals: playing your part in project progress

Sarah Schütte

Solicitor, Mediator, Trainer
Director Schutte Consulting Limited
Co-Founder Peridot Consulting International LLP

1

Welcome

- Award-winning legal consultancy and training provider based in London, UK since 2014 advising on built environment projects.

- Solicitor-advocate specialising in construction, engineering and infrastructure projects: 20+ years of qualified practice, incl. 10 years in-house as Senior Counsel at LUL/TfL and WSP|Parsons Brinckerhoff

- Accredited PMI-CAPM® (in view PMI-PMP® in view)

- Accredited Mediator (CEDR) and Registered Mediator (CMC)

- Volunteer at APM and PMI, and 8-years school governor

- Nominee: APM 2021 Volunteer, Inspiring Women in STEM 2025

Schutte Consulting Limited

Peridot Consulting INTERNATIONAL LLP

Project Controls EXPO London, UK

Introduction

5 Purposes:

- Understand the matrix in which ethics meets projects and business

- Gain tips on managing real-life ethical dilemmas

- Recognise the benefit of a balanced, ethical and diverse workplace

- Feel prepared for the emerging AI-impacted workplace

- Increase confidence in communication, clarity and purpose for ethical collaboration

Perception

Costly bells and whistles

It's complicated

I'm sure they are well-meaning but...

People who make my job difficult

What do you think when you hear the word "ETHICS"?

Not my problem

I do internal projects, so I don't need to worry

I don't understand, and I don't want to

**Collaboration solves my problems**

Source: SCL Research

Ethics:

"the discipline concerned with what is morally good and bad, and morally right and wrong (and any system or theory of moral values or principles)"

Definition from Britannica dictionary

Schutte Consulting Limited

Peridot Consulting INTERNATIONAL LLP

Project Controls EXPO
London, UK

History to present
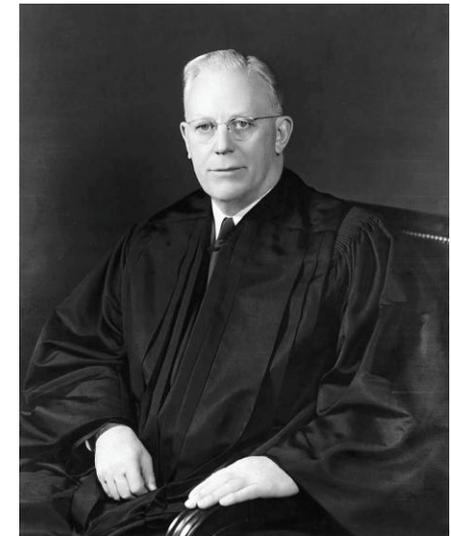

Thomas Hobbes, 1588 – 1679. Philosopher who abandoned theology, focussing on the practical = human experience. Developer Social Contract

Survival → Peace → Social contract → Justice
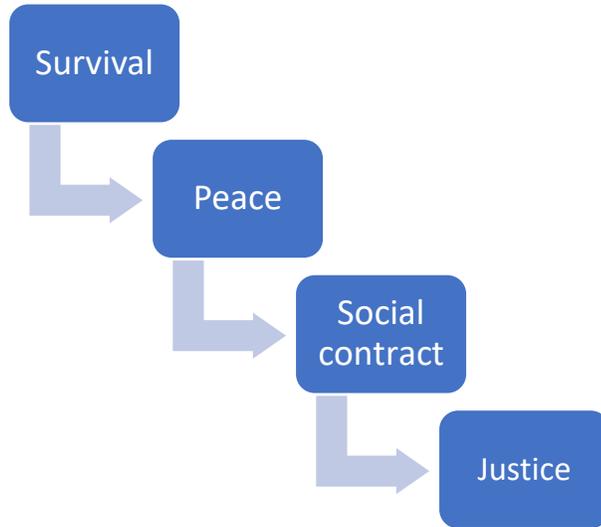
"In civilised life, law floats in a sea of ethics"

Earl Warren, Chief Justice USA, 1891 - 1974

Particularly important in the absence of rules (law) = "Do no harm" (Prevention principle)

....not obligations, to balance inherent self interest

Add in law and contracts?

- Including rules on ethical matters e.g.
  - Anti-corruption
  - Modern slavery
  - Procurement
  - Health and safety on site
  - Money: minimum wage, payment standards
- Why? State is no longer all-powerful, all-owning
- B2B and B2C arrangements - 'freedom of contract' subject to law
  - Inherent risk and reward, driven by economics

Ethics isn't law, so cannot be forced. Ultimately, contracts (= market) cannot (and do not) solve every problem, and regulation (= law) is needed.

Global ethics in 21C

- Independent expert organisations:
  - Transparency International's Corruption Perceptions Index 2024
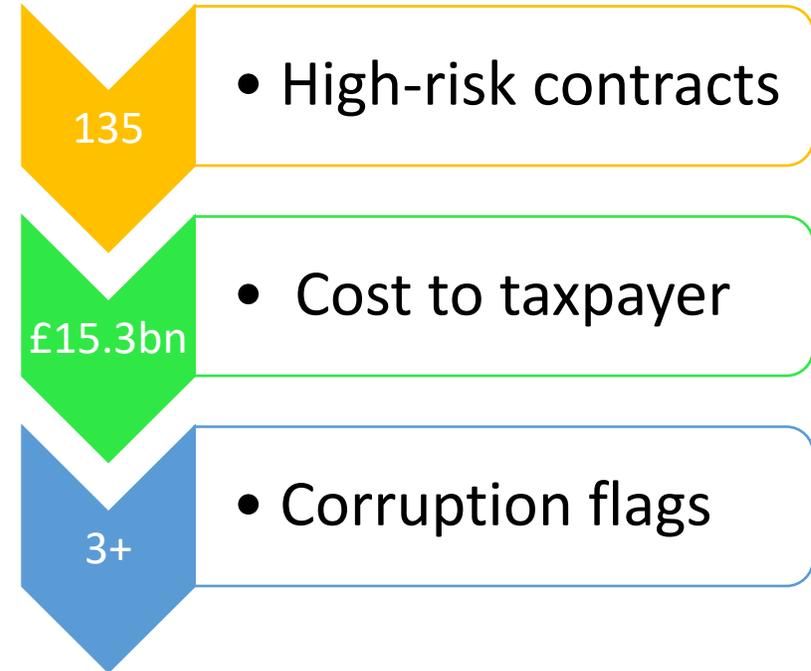 - International Bar Association (IBA)
  - United Nations (UN)

No grounds for complacency... increased prevalence
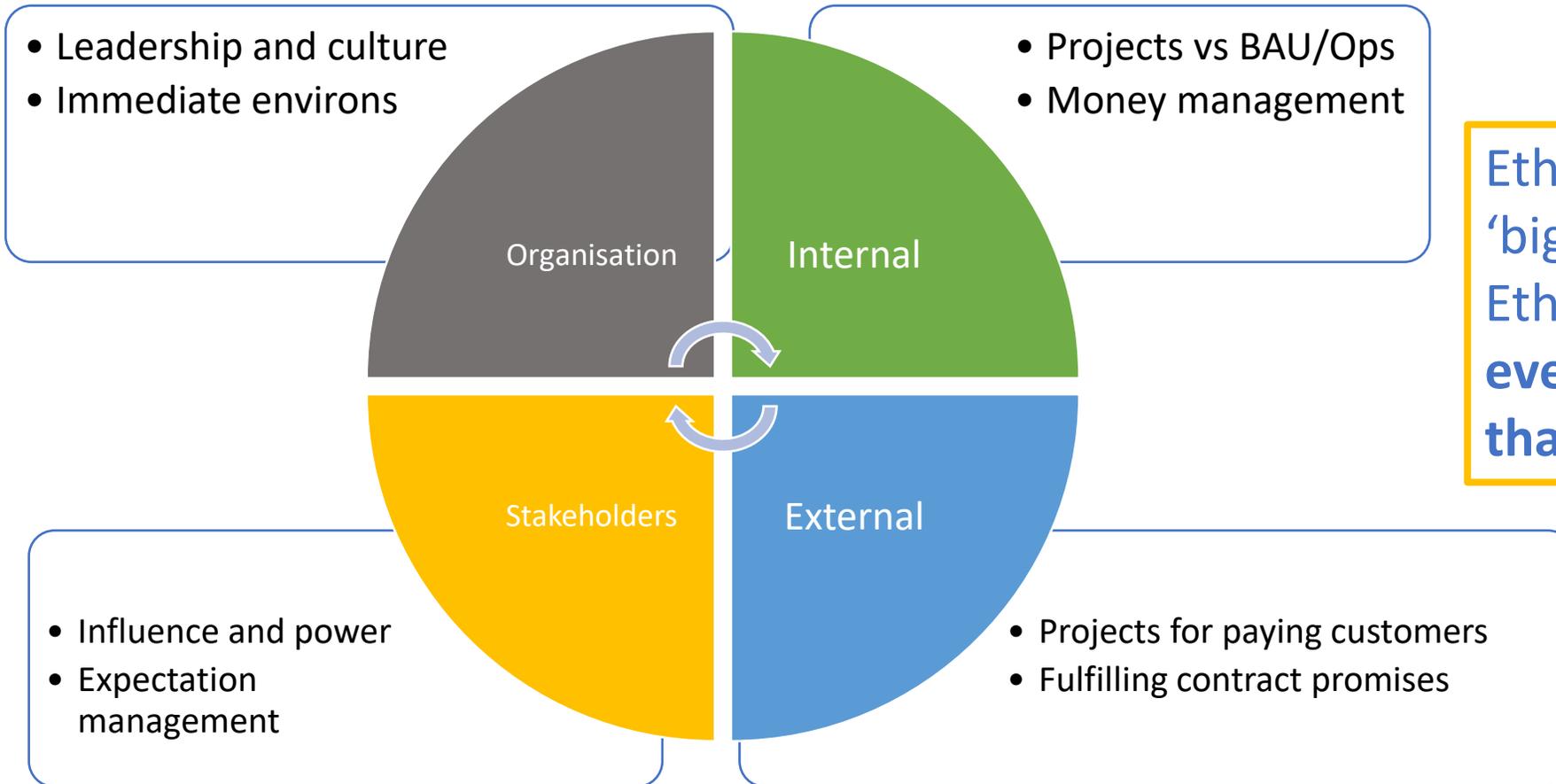
Courageous truth-tellers

- Professional accreditations' Code of Ethics

UK projects

- 135 — High-risk contracts
- £15.3bn — Cost to taxpayer
- 3+ — Corruption flags

Source: TI, September 2024

Evidence – Ethical challenges and Industry

- Leadership and culture
- Immediate environs

- Projects vs BAU/Ops
- Money management

Ethics is not about the 'big' ones in the Press, Ethics is about the **everyday infringements that undermine** probity.

Organisation

Internal

Stakeholders

External

- Influence and power
- Expectation management

- Projects for paying customers
- Fulfilling contract promises

Source: TI and SCL

Case Studies

Facts: Senior PM checked projects database for their Org's likely involvement in corrupt contracts as uncovered by Government Body, and therefore possible exposure. PM found involvement and reported to MD, who buried it.

Dilemma: What to do?

Outcome: PM asked MD for update and meeting to discuss, but was told to continue working on projects.

Later, left job as too stressed, and could not be part of cover-up.

Facts: Services' offered by Project Director to 'mate' outside of approved process. Junior PM spotted invoices but was told to pay them by PD. Project Controller's dashboard was affected.

Dilemma: Now what?

Outcome: PM doing job but under duress; PC dashboard inaccurate.

PM told Finance 1 colleague, and PC.

Finance 2 made internal audit and got PD removed from project. PC corrected dashboard. PM continued.

Facts: Director at construction SME asked client to pay him directly instead of to the business. Client later sued for defective work.

Dilemma: What next?

Outcome: Good defence on facts - claim for defects dismissed.

Dir had to repay sum and explain to judge and tax authority. Lucky to avoid official reprimand (civil) and/ or fine (criminal).

Client took next business elsewhere.

What can project controls professionals do?

Before	During	After
Be prepared: avoid isolation	Fulfilling without undue influence or turning a blind eye	Take some time out
Check TI index (if non-UK) and who's who incl stakeholders	Have a confidante, keep a diary	Know you did your bit for Ethics
Role and responsibility: how will you influence, voice with Ethics	Base your decisions/ recommendation on the contract	Accept couragein difficult circumstances
Read the contract to understand interfaces and boundaries	Explain evenly and fairly: project neutrality	Know that Ethics is for everyone to work harder at
Ask for a pre-start/ get to know	Accept short-term ethical pain for long term propriety	Learn some lessons for next time
Everyday Ethics = employing professional curiosity	Everyday Ethics = being the steady, professional hand	Everyday Ethics = securing project reputation (and contributing to VfM)

Diversity – ethical, happier, healthier and successful

- Donald Brown, anthropologist diverse group is more ethical and successful, and, consistently, high global ratings for integrity, responsibility, forgiveness and compassion

- Women have "*stricter ethical standards than men e.g. unacceptable behaviour*", IBE

- Women "*bring new perspectives to the table, broadening the content of boardroom discussions to include multiple* stakeholders", Kramer

- Diversity of all sorts brings a "*new era of governance*", Heidrick

Diversity - business value and Ethics

- What do women add?
  - Balance to numbers
  - Diversity thus representative of society
  - "*Smart economics*", World Bank
  - "*Social performance and reputation*", Bear
- What does DEI add?
  - "*DEI is associated with higher long-term market performance*", LSE

- Good business and ethical sense

Women tend to help to maintain a steady ethical business compass …
BUT this is not their responsibility!

New workplace – hello, AI

> "Transformation, where the future of project management blends AI and human ingenuity, fuelled and guided by our global community", PMI 2024

21%
of respondents say they are using AI (PMI research)

82%
of senior leaders say AI will have at least some impact on projects (PMI research)

91%
believe AI will have at least a moderate impact on the profession (PMI research)

Project Controls EXPO London, UK

Schutte Consulting Limited

Peridot Consulting INTERNATIONAL LLP

AI – business value…

- Opportunities look immense:
  - 'Munch' data rapidly, and find patterns e.g. to predict weather events
  - Be 'generative' i.e. trained e.g. to tailor medicine, trace ground conditions
  - Save money and time in 'trawling' archives/artefacts e.g. defects by trades
- But challenges exist:
  - No global standard, technology is being developed faster than Governments can debate what to do about it (let alone regulate it)
  - Web 'scrape' uses unknown sources
  - Outputs can be unreliable or 'hallucinate'
  - ➤ What do we do with the results?

AI's effect – ... and Ethics?

- What will AI do to the workplace (and what is it already doing)?

- Projects: routine, and beyond

- Will humans will do 'just the interesting stuff'?

- For now, use it to aid your skillset
  - Controlling what is fed in, thus obtain a quality output
  - Organisational protocol and policy
  - Client confidentiality
  - Law: IP, GDPR, UK AI Framework, EU AI Act

- Can AI and Ethics be 'happy colleagues'?

"Unleash potential... responsibly, securely and ethically", UK Gov

Takeaways, Questions, Feedback…

1. Habitualise: Ethics is for everyday
2. Collaborate: don't try to go alone
3. Weave: use AI, but carefully
4. Feel: gut, sense-check with others
5. Include: everyone in conversation

"A person without ethics is a wild beast loosed upon this world"

Albert Camus, 1913 - 1960

Thank You

Sources

- Harvard Business Review pub. Kiel (2016) Measuring the Return on Character

- Rose (commissioned by HM Treasury, UK) (2024 (updated from 2019)) 'The Rose Review of Female Entrepreneurship'

  - McKinsey & Co (2007) 'Women matter'

  - Kramer et al (2006) 'Critical Mass on Corporate Boards'

  - Heidrick Women (2010) 'Corporate Directors'

  - Adams & Ferreira (2008) 'Women in the Boardroom and their Impact on Governance and Performance'

  - Survey by UK's IBE 'Employee views of ethics at work' (2009)

  - Bear et al (2010) 'The impact of board diversity and gender on corporate social responsibility and firm reputation'

  - UK Cyber Security Council Pro-Innovation AI Framework + AI Ethics Framework (2025)

  - LSE (2025) 'DEI is not bad for business: evidence from employee review data UK & US'

Contact:

📟 +44(0)7970101188

📧 office@schutteconsulting.co.uk

ℹ️ www.schutteconsulting.co.uk

💼 Schutte Consulting Limited and Sarah Schutte

📷 schutteconsulting

🦋 schutteconsulting

f schutteconsulting

𝕏 schutteconsulting and sarahschutte1

Our hashtags: #sclglobal #sclatsw11

Making law work for the construction and engineering industry